

**FAIRVIEW PARK CITY SCHOOL
DISTRICT
CUYAHOGA COUNTY, OHIO**

**ANNUAL
COMPREHENSIVE FINANCIAL REPORT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2021



Learning to Believe & Achieve

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Education
Fairview Park City School District
21620 Mastick Road
Fairview Park, Ohio 44126

We have reviewed the *Independent Auditor's Report* of the Fairview Park City School District, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2020 through June 30, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Fairview Park City School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

February 02, 2022

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ANNUAL
COMPREHENSIVE FINANCIAL REPORT
OF THE
FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
FOR THE
FISCAL YEAR ENDED JUNE 30, 2021



Learning to Believe & Achieve

PREPARED BY
TREASURER'S DEPARTMENT
MR. ROB SHOWALTER, CFO/TREASURER

21620 Mastick Road #A

Fairview Park, Ohio 44126

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ANNUAL COMPREHENSIVE FINANCIAL REPORT
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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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CUYAHOGA COUNTY, OHIO**

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Fairview Park City School District

Keith Ahearn, Superintendent
Rob Showalter, Treasurer

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Fairview Park, OH 44126
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www.fairviewparkschools.org

Learning to Believe & Achieve

December 23, 2021

Board of Education Members and
Residents of the Fairview Park City School District

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Fairview Park City School District (the "District") for the fiscal year ended June 30, 2021. This ACFR includes an opinion from James G. Zupka, CPA, Inc. and conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs.

The Reporting Entity

The District has reviewed its reporting entity definition in order to ensure conformance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Fairview Park City School District (the primary government) and its potential component units. The District has no component units.

The District is associated with one insurance purchasing pool and three jointly governed organizations. The Great Lakes Regional Council of Governments is an insurance purchasing pool that deals with medical, dental and life insurance benefits. Connect, the Ohio Schools' Council Association and the Polaris Career Center are jointly governed organizations. The District's relationship with these organizations is described in Note 1 to the basic financial statements. A complete discussion of the District's reporting entity is provided in Note 1 to the basic financial statements.

Profile and Organizational Structure

The District covers approximately 4.77 square miles and is located approximately 10 miles west of downtown Cleveland, Ohio. The District provides education to 1,559 students in grades kindergarten through twelfth. The District provides general education, special education and vocational type academic programs. The District's enrollment has remained relatively flat over the last several years and is projected to slightly increase in the foreseeable future.

Statutorily, the District operates under the standard prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide educational services prescribed by State and Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer (CEO), and the Treasurer, who serves as the Chief Financial Officer (CFO).

MISSION STATEMENT

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.

Local Economy and Relevant Financial Policies

While economic development is good for the community as a whole, including the District, the benefits to the local District are not as great as one might imagine. The City of Fairview Park has a tax abatement program for which applicants can receive tax exemptions up to 100 percent on any remodeling or new construction for up to seven years. The school districts are not involved in the decision making of the abatement process. The school districts do receive additional revenue when the land value increases, but not on the land improvements (i.e. new buildings) until the abatement period expires.

Annually, the District prepares a five-year financial forecast. The financial forecast is the foundation for the District's operations and is used as a financial planning tool to assist the District in determining its ability to meet certain financial obligations and plan future funding needs. The forecast shows revenue and expenditures for the general operating fund for the past three fiscal years and projects revenue and expenditures for the ensuing five-year period. Through a collaborative process, the administration assists the Board of Education in determining and prioritizing the needs of the District. In accordance with State law, the Board of Education approves the financial forecast and submits it to the Ohio Department of Education prior to November 30 and reviews it again prior to May 31.

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920, which mandates that any reappraised property increase results in an approximately equal value decrease in millage. As a result, school districts throughout Ohio must place operating funding issues on the ballot at regular intervals to keep pace with inflation and added programming.

Additionally, the real property tax system in Ohio does not permit school districts to receive additional tax revenue solely as a result of reassessment or reappraisal. Consequently, the primary means of increasing revenue for the District is through additional operating levies or through the passage of a School District Income Tax. On November 3, 2020, the voters approved a 7.9-mill continuing operating levy. With careful, fiscal planning and management's ability to offset increases in cost with cost saving initiatives, the Board of Education was able to extend the last levy by fourteen years.

Major Initiatives

The District continues to be committed to providing "superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship" as stated in the mission statement. In 2021, the District continued to work on its mission statement by:

- Providing first class facilities, which entail the best possible learning environments to the students and residents of the Fairview Park City School District. A committee screened qualifications for design and master planning service to determine ongoing facility needs over two year span. With input from the community to the committee's recommendation in May, 2016, the board approved a master plan estimated at \$32.5 million. Renovations to the Fairview Early Education Center, L.F. Mayer Middle and Fairview High School were completed in 2020

There are three components to the plan: \$10 million Certificate of Participation (COPs) funding to be repaid from current cash reserves. This plan gained full funding in the November, 2017, election with voter approval of a combination bond and PI issue.

The current District facilities include:

Classroom Facility	Building	Year Construction/Improvement	Number of Classrooms
Fairview Park Early Education Center (daycare, Pre-K, K)		Original 1950/1959/1966/2010/2020	18
Gilles-Sweet Elementary (1 to 5)		2006	44
L.F. Mayer Middle (6 to 8)		Original 1955/1959/1966/2009/2020	20
Fairview High School (9 to 12)		Original 1928/1949/1952/1956/1959/1968/1979/2009/2020	37

One non-instructional facility was purchased in 2011 that had served as the New Hope Church. This building now houses the operational offices for transportation and serves the community in a number of ways by providing space for groups to meet.

MISSION STATEMENT

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.

- In 2021, The International Center for Leadership in Education (ICLE) has recognized Fairview High School as a Model High School
- In 2021, Fairview High School has received a STEM/STEAM School Designation from the Ohio STEM Learning Network (OSLN)
- The District prepares its students for a world of problem solving, communication, collaboration and analysis by using state-of-the-art technology in its classrooms. All K-5 students are assigned an iPad and all 6-12 students are assigned a MacBook as part of the District's ongoing one-to-one technology initiative which provides devices for all students.

Long-Term Financial Planning

As part of the District's long-term planning, the Treasurer prepares a five-year financial forecast. This document provides a snapshot of historical and projected revenues and expenses over the next five years and is accompanied by financial assumption notes. The Board of Education reviews this document on a regular basis for changes that might impact their financial decisions.

During the 2021 fiscal year, the District continued the practice of closely monitoring the student population and student needs and adjusting the staffing to the fluctuations accordingly. These comparisons allow the District to keep a streamlined organization. As a result of these monitoring efforts, the District has been able to maintain a relatively low increase in operating expenditures.

Financial Information

Internal Accounting and Budgetary Control

In developing the District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual audit of each voucher prior to payment, ensures the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Fiscal Officer of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Fiscal Officer must certify that the Board of Education's appropriation measure, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level for all funds. All purchase order requests must be approved by the Superintendent and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished with monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on-line inquiry system is available at each cost center site. The basis of accounting and the various funds utilized by Fairview Park City School District are fully described in Note 2 of the basic financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

MISSION STATEMENT

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.

Financial Presentation

The District's basic financial statements consist of the following:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish those activities of the District that are governmental in nature.

Fund financial statements: These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statement of budgetary comparisons: These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the District. This discussion follows the Independent Auditor's Report, providing an assessment of the District's finances for fiscal year 2021 and a discussion of current issues affecting the District in the future. The MD&A should be read in conjunction with this letter of transmittal.

Independent Audit

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor James G. Zupka, CPA, Inc. rendered an opinion on the District's financial statements as of and for the year ended June 30, 2021. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Fairview Park City School District for its ACFR for the fiscal year ended June 30, 2020. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ASBO Certificate of Excellence in Financial Reporting

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of the School Business Officials. The award is granted only after an intensive review of the financial report by an all-expert panel of certified public accountants and practicing school business officials.

The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2020. The District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2021, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

MISSION STATEMENT

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.

Acknowledgments

The publication of this report is a significant step toward professionalizing the District's financial reporting. It enhances the District's accountability to the residents of the Fairview Park City School District.

The preparation of this report would not have been possible without the assistance and support of the staff of the Treasurer's office, various administrators and staff members of the District. Special appreciation is expressed to the accounting firm of Julian & Grube, Inc. for assistance in designing and reviewing this financial report.

Finally, sincere appreciation is extended to the Board of Education for their support on this project.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Rob Showalter', with a long horizontal flourish extending to the right.

Rob Showalter
Treasurer

MISSION STATEMENT

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Fairview Park City School District
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



**The Certificate of Excellence in Financial Reporting
is presented to**

Fairview Park City School District

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink that reads 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink that reads 'David J. Lewis'.

David J. Lewis
Executive Director

PRINCIPAL OFFICIALS

June 30, 2021

Board of Education



(Back Row, Left to Right)

Joslyn Dalton - President - Term (01/01/2018 - 12/31/2021)
Erin Hinkel - Vice President - Term (01/01/2020 - 12/31/2023)
Jennifer Bolander - Term (01/01/2020 - 12/31/2023)

(Front Row, Left to Right)

Donald Bittala - Term (01/01/2020 - 12/31/2023)
Matthew Hrubey - Term (01/01/2018 - 12/31/2021)

Superintendent

Dr. William W. Wagner (Retired 7/31/2021)
Mr. Keith Ahearn (Effective 08/01/2021)

Treasurer

Mr. Rob Showalter

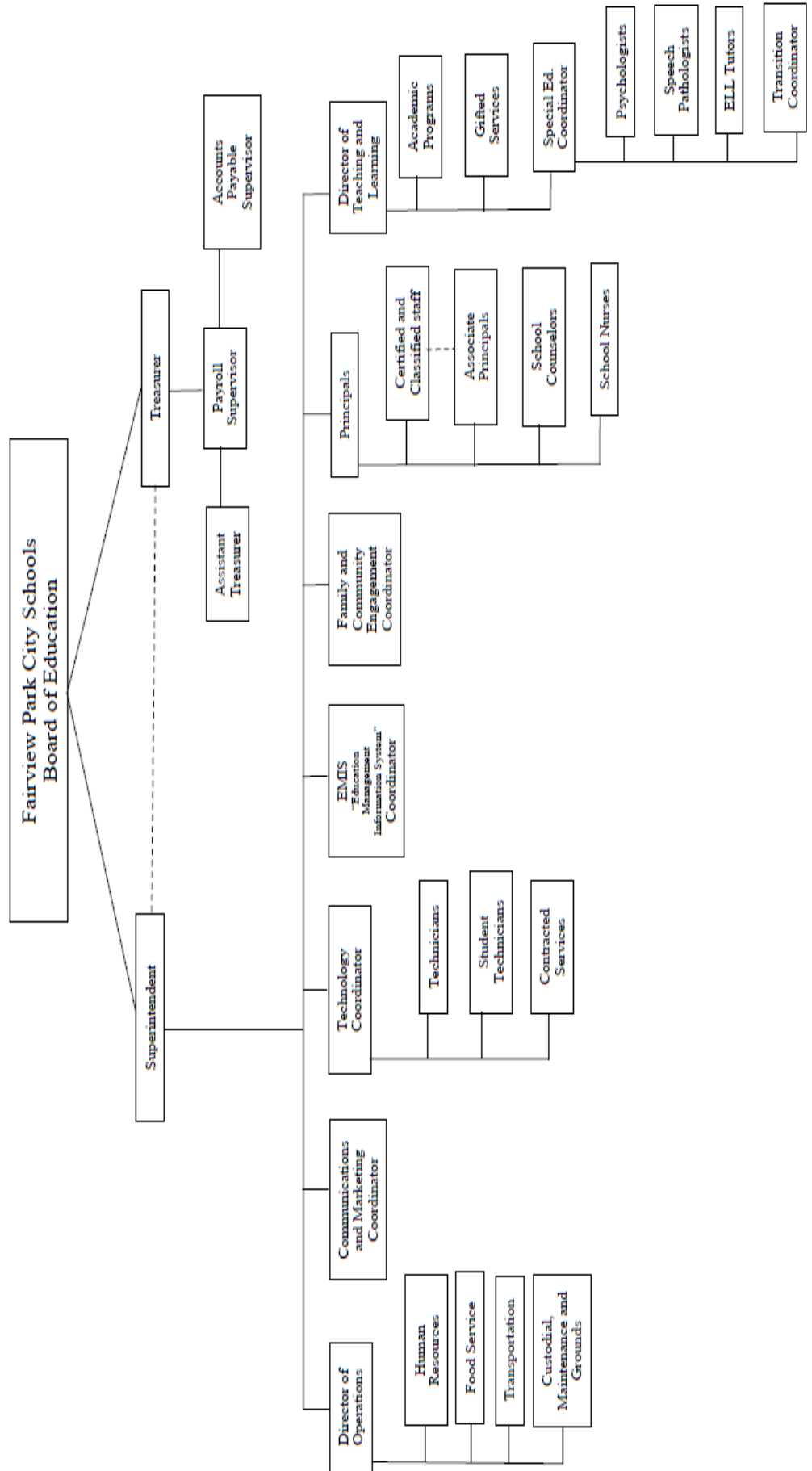
Department Administrative Staff

Director of Communication	-	Dan Rajkovich
Director of Teaching & Learning	-	Melanie Wightman
Assistant Treasurer	-	Balbina Korczak
Director of Operations	-	Mike Matthews
Food Service Coordinator	-	Diana Hill

Building Level Administrative Staff

High School/Middle School Campus Principal	-	Chris Vicha
High School Associate Principal	-	Chris Honeck
Middle School Associate Principal	-	Heather Kaminski (Eff.08/01/2021)
Gilles Sweet Elementary Principal	-	Matt Krivak
Gilles Sweet Associate Principal	-	Shanna Kovi (Eff.08/01/2021)
Early Education Center Principal	-	Patricia Moran

ORGANIZATIONAL CHART



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FINANCIAL SECTION



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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Board of Education
Fairview Park City School District
Fairview Park, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Park City School District as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 20 to the basic financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. As discussed in Note 21-B to the basic financial statements, the school foundation aid received from the State of Ohio will be funded through the direct funding model. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension and Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



James G. Zupka, CPA, Inc.
Certified Public Accountants

December 23, 2021

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

The management's discussion and analysis of Fairview Park City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2021 are as follows:

- In total, net position decreased \$945,746. Net position of governmental activities decreased \$972,896, which represents a 53.83% decrease from June 30, 2020's net position. Business-type activities net position increased \$27,150 from June 30, 2020's net position.
- General revenues accounted for \$26,774,851 of revenue or 90.34% of governmental activities revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$2,863,324 or 9.66% of governmental activities revenues.
- Total revenues for fiscal year 2021 were \$30,863,536. Of this total, \$29,638,175 was reported in the governmental activities and \$1,225,361 in the business-type activities.
- The District had \$30,611,071 in expenses related to governmental activities; only \$2,863,324 of these expenses was offset by program specific charges for services and sales and operating grants and contributions resulting in a net cost of \$27,747,747 for the District. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$26,774,851 were not adequate to provide for these programs.
- The District's major governmental funds are the general fund, bond retirement fund and the permanent improvement fund. The District's major proprietary fund is the day care services fund.
- The general fund had \$24,202,582 in revenues and \$22,288,704 in expenditures and other financing uses. During fiscal year 2021, the general fund's fund balance increased \$1,913,878 from a balance of \$12,716,897 to \$14,630,775.
- The bond retirement fund had \$14,026,271 in revenues and other financing sources and \$13,831,672 in expenditures and other financing uses. During fiscal year 2021, the bond retirement fund's fund balance increased \$194,599 from \$3,101,799 to \$3,296,398.
- The permanent improvement fund had \$4,257,040 in revenues and other financing sources and \$3,761,384 in expenditures. During fiscal year 2021, the permanent improvement fund's fund balance increased \$495,656 from \$47,768 to \$543,424.
- The day care services fund had \$666,962 in operating revenues, \$718,043 in expenses and \$9,701 in nonoperating revenues. During fiscal year 2021, the day care services fund net position decreased \$41,380 from a deficit balance of \$1,244,689 to a deficit balance of \$1,286,069.

Using this Annual Comprehensive Annual Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund, bond retirement fund and the permanent improvement fund are by far the most significant funds, and the only governmental funds reported as major funds.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2021?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the District is divided into two distinct kinds of activities:

Governmental activities - Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's food service and day care services are reported as business activities.

The District's statement of net position and statement of activities can be found on pages 19-21 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 14 and the analysis of the District's major enterprise funds begins on page 15. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, bond retirement fund and the permanent improvement fund.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 22-26 of this report.

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole. Both the food service fund and daycare services fund are major funds. The basic proprietary fund financial statements can be found on pages 27-29 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 31-76 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability and net OPEB liability/asset. The required supplementary information can be found on pages 78-93 of this report.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

The District as a Whole

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position at June 30, 2021 and June 30, 2020.

Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Assets</u>						
Current and other assets	\$ 45,595,499	\$ 43,452,890	\$ 302,255	\$ 216,719	\$ 45,897,754	\$ 43,669,609
Net OPEB asset	1,610,619	1,532,603	-	5,162	1,610,619	1,537,765
Capital assets, net	57,498,659	58,970,847	13,691	17,123	57,512,350	58,987,970
Total assets	<u>104,704,777</u>	<u>103,956,340</u>	<u>315,946</u>	<u>239,004</u>	<u>105,020,723</u>	<u>104,195,344</u>
<u>Deferred outflows</u>	<u>6,979,962</u>	<u>6,618,210</u>	<u>313,289</u>	<u>307,113</u>	<u>7,293,251</u>	<u>6,925,323</u>
<u>Liabilities</u>						
Current liabilities	3,437,815	3,960,757	99,991	75,380	3,537,806	4,036,137
Long-term liabilities						
Due within one year	2,561,708	1,889,664	14,279	14,474	2,575,987	1,904,138
Due in more than one year:						
Net pension liability	27,724,133	25,349,892	1,179,174	1,265,863	28,903,307	26,615,755
Net OPEB liability	1,846,707	2,114,082	366,768	517,861	2,213,475	2,631,943
Other amounts	52,650,313	52,248,000	112,561	83,444	52,762,874	52,331,444
Total liabilities	<u>88,220,676</u>	<u>85,562,395</u>	<u>1,772,773</u>	<u>1,957,022</u>	<u>89,993,449</u>	<u>87,519,417</u>
<u>Deferred inflows</u>	<u>22,629,663</u>	<u>23,204,859</u>	<u>437,381</u>	<u>197,164</u>	<u>23,067,044</u>	<u>23,402,023</u>
<u>Net position</u>						
Net investment in capital assets	7,648,472	6,760,491	13,691	17,123	7,662,163	6,777,614
Restricted	7,037,122	7,304,737	-	-	7,037,122	7,304,737
Unrestricted (deficit)	<u>(13,851,194)</u>	<u>(12,257,932)</u>	<u>(1,594,610)</u>	<u>(1,625,192)</u>	<u>(15,445,804)</u>	<u>(13,883,124)</u>
Total net position (deficit)	<u>\$ 834,400</u>	<u>\$ 1,807,296</u>	<u>\$ (1,580,919)</u>	<u>\$ (1,608,069)</u>	<u>\$ (746,519)</u>	<u>\$ 199,227</u>

Net Pension Liability and Net OPEB Liability/Asset

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

GASB standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability/asset. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability/asset are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2020, the District's assets plus deferred outflows exceeded liabilities plus deferred inflows by \$834,400 in the governmental activities and liabilities plus deferred inflows exceeded assets plus deferred outflows by \$1,580,919 in the business-type activities.

Deferred outflows related to pension decreased primarily due to changes in assumptions by the State Teachers Retirement System (STRS). See Note 12 for more detail.

Total assets include a net OPEB asset reported by STRS.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

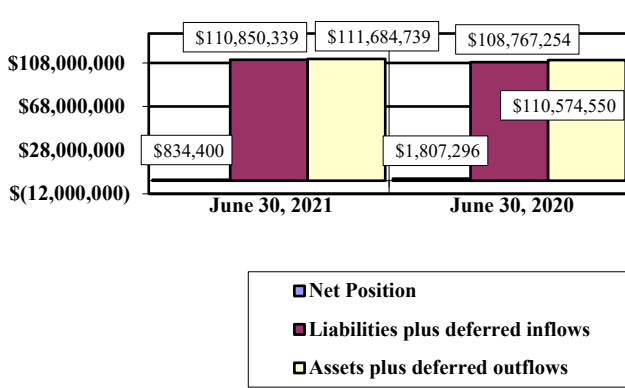
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

At year-end, capital assets represented 54.92% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and textbooks. The net investment in capital assets at June 30, 2019, was \$7,648,472. These capital assets are used to provide services to the students and are not available for future spending. Although the District’s investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

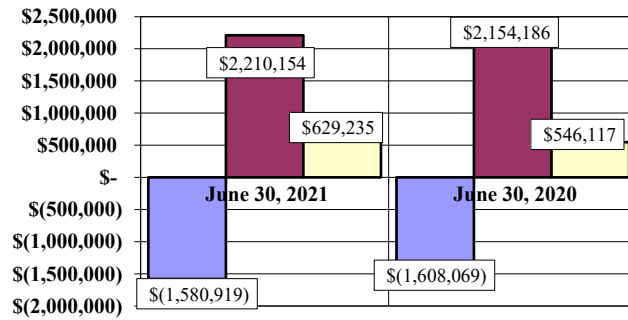
Long-term liabilities increased primarily due to an increase in the net pension liability. This liability is outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it is the pension systems that collect, hold and distribute pensions to District employees, not the District. During fiscal year 2021, the District also entered into a capital lease agreement for iPads.

A portion of the District’s net position, \$7,037,122 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$13,851,194. The graphs below show the assets plus deferred outflows, liabilities plus deferred inflows and net position of the governmental activities and business-type activities at June 30, 2021 and 2020.

Governmental – Net Position



Business-Type – Net Position



**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

The table below shows the change in net position for fiscal years 2021 and 2020.

Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues						
Program revenues:						
Charges for services and sales	\$ 505,014	\$ 633,775	\$ 723,201	\$ 929,929	\$ 1,228,215	\$ 1,563,704
Operating grants and contributions	2,334,242	2,139,774	502,160	179,610	2,836,402	2,319,384
Capital grants and contributions	24,068	-	-	-	24,068	-
General revenues:						
Property taxes	21,601,942	16,649,933	-	-	21,601,942	16,649,933
Grants and entitlements	4,920,432	4,600,970	-	-	4,920,432	4,600,970
Investment earnings	158,353	506,465	-	-	158,353	506,465
Fair value adjustment	(157,611)	337,926	-	-	(157,611)	337,926
Other	251,735	4,156	-	-	251,735	4,156
Total revenues	<u>29,638,175</u>	<u>24,872,999</u>	<u>1,225,361</u>	<u>1,109,539</u>	<u>30,863,536</u>	<u>25,982,538</u>
Expenses						
Program expenses:						
Instruction:						
Regular	12,772,178	14,432,412	-	-	12,772,178	14,432,412
Special	4,856,144	4,616,032	-	-	4,856,144	4,616,032
Vocational	27,689	7,503	-	-	27,689	7,503
Other	30,805	30,911	-	-	30,805	30,911
Support services:						
Pupil	1,763,190	1,730,019	-	-	1,763,190	1,730,019
Instructional staff	761,638	855,361	-	-	761,638	855,361
Board of education	91,081	54,798	-	-	91,081	54,798
Administration	1,484,635	1,673,523	-	-	1,484,635	1,673,523
Fiscal	776,618	677,154	-	-	776,618	677,154
Business	204,435	195,686	-	-	204,435	195,686
Operations and maintenance	1,861,870	1,725,990	-	-	1,861,870	1,725,990
Pupil transportation	701,134	838,445	-	-	701,134	838,445
Central	2,404,991	580,846	-	-	2,404,991	580,846
Operation of non-instructional services:						
Other non-instructional services	552,181	516,883	-	-	552,181	516,883
Extracurricular activities	579,822	611,804	-	-	579,822	611,804
Interest and fiscal charges	1,742,660	2,074,241	-	-	1,742,660	2,074,241
Food service operations	-	-	480,168	499,636	480,168	499,636
Day care services	-	-	718,043	1,009,583	718,043	1,009,583
Total expenses	<u>30,611,071</u>	<u>30,621,608</u>	<u>1,198,211</u>	<u>1,509,219</u>	<u>31,809,282</u>	<u>32,130,827</u>
Changes in net position	(972,896)	(5,748,609)	27,150	(399,680)	(945,746)	(6,148,289)
Net position (deficit) at beginning of year	<u>1,807,296</u>	<u>7,555,905</u>	<u>(1,608,069)</u>	<u>(1,208,389)</u>	<u>199,227</u>	<u>6,347,516</u>
Net position (deficit) at end of year	<u>\$ 834,400</u>	<u>\$ 1,807,296</u>	<u>\$ (1,580,919)</u>	<u>\$ (1,608,069)</u>	<u>\$ (746,519)</u>	<u>\$ 199,227</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

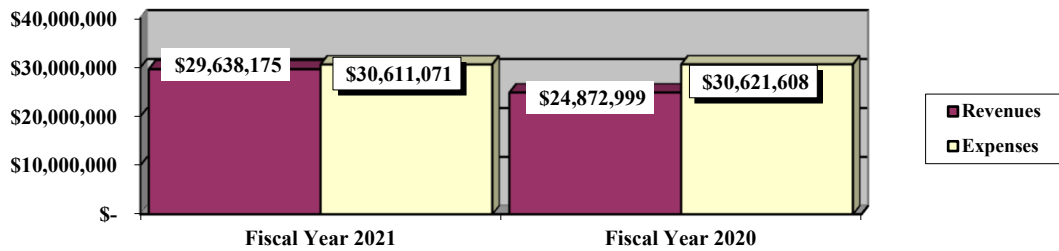
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

Governmental Activities

For fiscal year 2021, the net position of the District's governmental activities decreased \$972,896. Total governmental expenses of \$30,611,071 were offset by program revenues of \$2,863,324 and general revenues of \$26,774,851. Program revenues supported 9.35% of the total governmental expenses. The increase in property taxes was due to a new operating levy passed by District voters. The decrease in investment earnings is the result of decreased interest rates earned on investments.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2021 and 2020.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for fiscal years 2021 and 2020. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

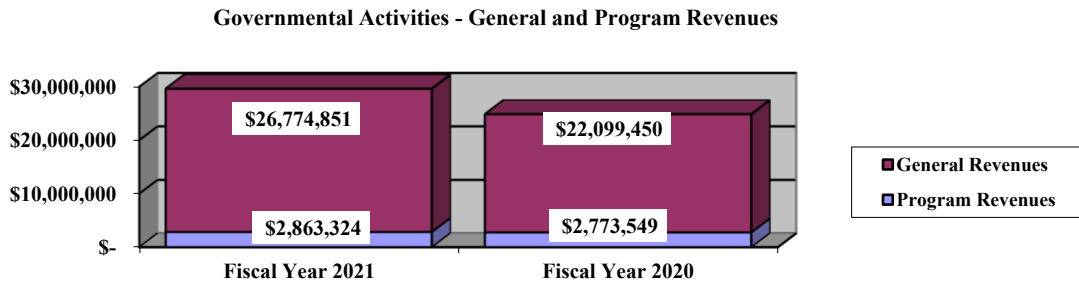
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

Governmental Activities

	Total Cost of Services <u>2021</u>	Net Cost of Services <u>2021</u>	Total Cost of Services <u>2020</u>	Net Cost of Services <u>2020</u>
Program expenses:				
Instruction:				
Regular	\$ 12,772,178	\$ 12,355,408	\$ 14,432,412	\$ 13,992,480
Special	4,856,144	3,745,196	4,616,032	3,479,424
Vocational	27,689	24,236	7,503	4,106
Other	30,805	30,805	30,911	30,911
Support services:				
Pupil	1,763,190	1,375,488	1,730,019	1,375,759
Instructional staff	761,638	676,810	855,361	805,451
Board of education	91,081	89,879	54,798	54,798
Administration	1,484,635	1,484,635	1,673,523	1,673,523
Fiscal	776,618	776,233	677,154	677,154
Business	204,435	197,632	195,686	195,686
Operations and maintenance	1,861,870	1,697,769	1,725,990	1,669,384
Pupil transportation	701,134	668,436	838,445	824,855
Central	2,404,991	2,395,892	580,846	580,846
Operation of non-instructional services:				
Other non-instructional services	552,181	30,514	516,883	(38,593)
Extracurricular activities	579,822	456,154	611,804	448,034
Interest and fiscal charges	1,742,660	1,742,660	2,074,241	2,074,241
Total expenses	<u>\$ 30,611,071</u>	<u>\$ 27,747,747</u>	<u>\$ 30,621,608</u>	<u>\$ 27,848,059</u>

The dependence upon tax revenues during fiscal year 2021 for governmental activities is apparent, as 91.34% of 2021 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 90.65%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2021 and 2020.



Business-type Activities

Business-type activities include day care, preschool and after school programs and the food service operation. Management reviews these programs to develop policies to allow these services to become self-supporting.

Food service operations had \$56,239 in operating revenue, \$492,459 in grants and subsidies and had total expenses of \$480,168. Food service program revenues were sufficient to support food service expenses.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

The day care services fund had \$666,962 in operating revenue, and \$718,043 in expenses and \$9,701 in nonoperating revenue. Day care services revenues were not sufficient to support day care services expenses.

The District's Funds

The District's governmental funds reported a combined fund balance of \$22,536,777, which is \$2,529,865 more than last year's fund total of \$20,006,912.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2021 and 2020.

	Fund Balance <u>June 30, 2021</u>	Fund Balance <u>June 30, 2020</u>	<u>Change</u>
General	\$ 14,630,775	\$ 12,716,897	\$ 1,913,878
Bond retirement	3,296,398	3,101,799	194,599
Permanent improvement	543,424	47,768	495,656
Other governmental	<u>4,066,180</u>	<u>4,140,448</u>	<u>(74,268)</u>
Total	<u>\$ 22,536,777</u>	<u>\$ 20,006,912</u>	<u>\$ 2,529,865</u>

General Fund

The District's general fund balance increased \$1,913,878.

The table that follows assists in illustrating the financial activities and fund balance of the general fund.

	<u>2021</u> <u>Amount</u>	<u>2020</u> <u>Amount</u>	<u>Change</u>	<u>Change</u>
Revenues				
Property taxes	\$ 18,437,286	\$ 14,033,281	\$ 4,404,005	31.38 %
Intergovernmental	5,132,591	4,822,313	310,278	6.43 %
Investment earnings	157,777	376,736	(218,959)	(58.12) %
Tuition and fees	211,256	343,414	(132,158)	(38.48) %
Other revenues	<u>263,672</u>	<u>332,020</u>	<u>(68,348)</u>	<u>(20.59) %</u>
Total	<u>\$ 24,202,582</u>	<u>\$ 19,907,764</u>	<u>\$ 4,294,818</u>	<u>21.57 %</u>

Property tax revenue increased due to a new operating levy passed by District voters that began collections in fiscal year 2021. Property tax revenue represents 76.18% of all general fund revenue. The combined value of property taxes and intergovernmental revenue represent 97.39% of the general fund revenues. Investment earnings decreased due to a decrease in interest rates earned on District investments.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

The table that follows assists in illustrating the expenditures of the general fund.

<u>Expenditures</u>	<u>2021</u> <u>Amount</u>	<u>2020</u> <u>Amount</u>	<u>Change</u>	<u>Change</u>
Instruction	\$ 13,676,456	\$ 13,767,245	\$ (90,789)	(0.66) %
Support services	6,839,989	7,116,058	(276,069)	(3.88) %
Operation of non-instructional services	839	8,827	(7,988)	(90.50) %
Extracurricular activities	<u>388,570</u>	<u>409,261</u>	<u>(20,691)</u>	(5.06) %
Total	<u>\$ 20,905,854</u>	<u>\$ 21,301,391</u>	<u>\$ (395,537)</u>	(1.86) %

District expenditures decreased 1.86%, primarily as a result in decreases of wages and benefits which were moved to special revenue funds during the fiscal year.

Bond Retirement Fund

The bond retirement fund had \$14,026,271 in revenues and other financing sources and \$13,831,672 in expenditures and other financing uses. During fiscal year 2021, the bond retirement fund's fund balance increased \$194,599 from \$3,101,799 to \$3,296,398. This increase was primarily the result of property taxes and homestead and rollback revenues collected that were sufficient to pay scheduled debt service payments.

Permanent Improvement Fund

The permanent improvement fund had \$4,257,040 in revenues and other financing sources and \$3,761,384 in expenditures. During fiscal year 2021, the permanent improvement fund's fund balance increased \$495,656 from \$47,768 to \$543,424. The increase in fund balance was the result of transfers in from the general fund to assist in paying expenditures for improvement throughout the District.

Day Care Services Fund

The day care services fund had \$666,962 in operating revenues, \$718,043 in expenses and \$9,701 in nonoperating revenues. During fiscal year 2021, the day care services fund's fund balance decreased \$41,380 from a deficit balance of \$1,244,689 to a deficit balance of \$1,286,069. The decrease in fund balance was the result of a decrease in revenues compared to the previous fiscal year.

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

Throughout fiscal year 2021, the District routinely made amendments to the general fund budget. These amendments were necessary to accompany initiatives that were established and needed funding throughout the fiscal year. The District uses a modified site-based budgeting technique which is designed to tightly control total site budgets, but also provide flexibility for site management.

For the general fund, the original budgeted revenue of \$22,406,494 were not changed in the final budgeted revenue and other financing sources. Actual revenue and other financing sources were \$23,487,459. Actual revenues and other financing sources were \$1,080,965 higher than the final budgeted revenues and other financing sources.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

Total actual expenditures and other financing uses on the budget basis (cash outlays plus encumbrances) were \$22,734,665. This amount was \$7,281 less than the final budgeted amounts. The final budgeted expenditures and other financing uses were \$22,741,946 and original budgeted expenditures were \$22,529,605. Overall, fund balance on the budget basis increased \$752,794 over the prior year.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2021, the District had \$57,512,350 invested in land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and textbooks. Of this total, \$57,498,659 was reported in governmental activities and \$13,691 was reported in business-type activities.

The following table shows June 30, 2021 balances compared to June 30, 2020:

Capital Assets at June 30 (Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 335,688	\$ 335,688	\$ -	\$ -	\$ 335,688	\$ 335,688
Land improvements	641,350	711,548	-	-	641,350	711,548
Buildings and improvements	55,375,711	56,730,869	-	-	55,375,711	56,730,869
Furniture, fixtures and equipment	571,884	647,895	13,691	17,123	585,575	665,018
Vehicles	364,488	327,479	-	-	364,488	327,479
Textbooks	<u>209,538</u>	<u>217,368</u>	<u>-</u>	<u>-</u>	<u>209,538</u>	<u>217,368</u>
Total	<u>\$ 57,498,659</u>	<u>\$ 58,970,847</u>	<u>\$ 13,691</u>	<u>\$ 17,123</u>	<u>\$ 57,512,350</u>	<u>\$ 58,987,970</u>

Overall governmental capital assets, net of accumulated depreciation, decreased \$1,472,188 from June 30, 2020 to June 30, 2021. Capital outlay in the governmental activities were 672,146, depreciation expense was \$2,131,848 and disposals, net of accumulated depreciation, were \$12,486.

See Note 11 to the basic financial statements for more detail on the District's capital assets.

Debt Administration

At June 30, 2021, the District has \$49,705,923 in long-term debt outstanding. Of this total, \$2,266,853 is due within one year and \$47,439,070 is due in greater than one year.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

The following table summarizes outstanding long-term debt:

Outstanding Debt, at Year End

	Governmental Activities <u>2021</u>	Governmental Activities <u>2020</u>
Long Term Debt:		
Series 2014 - Refunding bonds	\$ 1,457,000	\$ 2,446,000
Series 2012 & 2013 - Refunding bonds	1,239,948	1,241,842
Series 2017 - School improvement bonds	170,000	10,580,000
Series 2016 & 2017 - Certificates of participation	21,990,000	22,495,000
Series 2019 - Refunding bonds	12,450,000	12,450,000
Series 2020 - Refunding bonds	10,340,000	-
Capital leases	<u>2,058,975</u>	<u>-</u>
Total	<u>\$ 49,705,923</u>	<u>\$ 49,212,842</u>

Payments of principal and interest on the general obligation bonds are made from the bond retirement fund. Payments for the certificates of participation are made from the permanent improvement fund. See Note 16 to the basic financial statements for more detail on the District's long-term obligations.

Current Financial Related Activities

The District currently has one 7.90 mill, \$2,690,000 emergency levy that was renewed in November of 2012. The last full collection year for this levy was calendar year (CY) 2018. The District voters approved a renewal of this levy in November 2018. The passage of this renewal levy by the residents of the District preserved a significant portion of the district revenue sources for the foreseeable future. This emergency levy expires at the end of calendar year 2023.

Assessed Valuation

The following table shows the recent assessed valuations of property subject to ad valorem taxes levied by the School District.

Collection Year	Real	Total Public Utility	Assessed Valuation
2013(a)	\$350,580,950	\$3,709,930	\$354,290,880
2014	336,463,920	4,011,650	340,475,570
2015	340,827,800	4,394,500	345,222,300
2016(b)	334,796,640	4,598,810	339,395,450
2017	361,371,420	4,705,490	366,076,910
2018	354,321,571	4,984,210	359,215,780
2019(c)	402,409,130	5,625,260	408,034,390
2020	400,640,380	6,341,500	408,034,390

(a) Reflects sexennial reappraisal.

(b) Reflects triennial adjustment.

(c) Reflects sexennial reappraisal.

Source: County Fiscal Officer.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

CHANGE IN BOARD OF REVISION/INFLATION - The Cuyahoga County Fiscal Office property re-appraisal was completed in CY12, which caused in the district's Class I – residential real estate property values to be reduced by 3.97%. Furthermore, the district's Class II property value decreased in values by 2.21% from the previous year. Due to the improvement in the housing market in Northeast Ohio and across the country, the district has included a slight increase of .035% for CY14 and .35% the CY15 County triennial update and an additional increase of 2% in property values for the CY18 County property re-appraisal. The District will monitor the "Residential Median Market to Price Ratio" data published by the Ohio Department of Taxation (O.D.T.) on an annual basis to determine if these projections need to be adjusted should the data fluctuate. The 2015 valuation data for residential range in the District from 3-15% increases based on a neighborhood map. 2016 includes the Tri-ennial update.

Beginning in fiscal year 2017, the per pupil funding amounts are increased from the fiscal year 2016 level of \$5,900 to \$6,000. However, with the application of the State Share percentage, the District actually will be receiving only \$53 additional per pupil than the prior year.

A guarantee of funding not less than fiscal year 2015 is in legislation for fiscal year 2016 and fiscal year 2017. However, based on political sentiment toward funding guarantees, a 2% drop per year is projected for fiscal year 2018 through fiscal year 2021.

Growth caps have also been applied to the next two years of the budget that maximize the year over year (YOY) increase at 7.5%. Beyond the current budget term, a more conservative 5% growth cap has been used to forecast.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information contact: Mr. Rob Showalter, Treasurer, at Fairview Park City Schools, 21620 Mastick Road, Fairview Park, Ohio 44126.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 24,499,308	\$ 267,918	\$ 24,767,226
Receivables:			
Property taxes	20,810,489	-	20,810,489
Accounts	8,165	1,118	9,283
Accrued interest	26,912	-	26,912
Intergovernmental	220,001	22,243	242,244
Prepayments	30,624	-	30,624
Materials and supplies inventory	-	354	354
Inventory held for resale	-	5,034	5,034
Net OPEB asset	1,610,619	5,588	1,616,207
Capital assets:			
Nondepreciable capital assets	335,688	-	335,688
Depreciable capital assets, net	57,162,971	13,691	57,176,662
Capital assets, net	57,498,659	13,691	57,512,350
Total assets	104,704,777	315,946	105,020,723
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	1,198,477	-	1,198,477
Pension	5,027,241	195,292	5,222,533
OPEB	754,244	117,997	872,241
Total deferred outflows of resources	6,979,962	313,289	7,293,251
Liabilities:			
Accounts payable	246,039	2,709	248,748
Accrued wages and benefits payable	2,316,658	71,546	2,388,204
Intergovernmental payable	113,778	999	114,777
Pension and postemployment benefits payable	331,383	24,737	356,120
Accrued interest payable	159,875	-	159,875
Claims payable	270,082	-	270,082
Long-term liabilities:			
Due within one year	2,561,708	14,279	2,575,987
Due in more than one year:			
Net pension liability	27,724,133	1,179,174	28,903,307
Net OPEB liability	1,846,707	366,768	2,213,475
Other amounts due in more than one year	52,650,313	112,561	52,762,874
Total liabilities	88,220,676	1,772,773	89,993,449
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	18,452,862	-	18,452,862
Unamortized deferred gain on debt refunding	169,928	-	169,928
Pension	1,070,437	132,916	1,203,353
OPEB	2,936,436	304,465	3,240,901
Total deferred inflows of resources	22,629,663	437,381	23,067,044
Net position:			
Net investment in capital assets	7,648,472	13,691	7,662,163
Restricted for:			
Capital projects	48,000	-	48,000
Debt service	2,810,300	-	2,810,300
State funded programs	246,417	-	246,417
Federally funded programs	3,288	-	3,288
Extracurricular programs	53,757	-	53,757
Scholarships	3,856,038	-	3,856,038
Other purposes	19,322	-	19,322
Unrestricted (deficit)	(13,851,194)	(1,594,610)	(15,445,804)
Total net position	\$ 834,400	\$ (1,580,919)	\$ (746,519)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Instruction:				
Regular	\$ 12,772,178	\$ 194,937	\$ 221,833	\$ -
Special	4,856,144	90,433	1,020,515	-
Vocational	27,689	-	3,453	-
Other	30,805	-	-	-
Support services:				
Pupil	1,763,190	200	387,502	-
Instructional staff	761,638	-	84,828	-
Board of education	91,081	-	1,202	-
Administration	1,484,635	-	-	-
Fiscal	776,618	-	385	-
Business	204,435	-	6,803	-
Operations and maintenance	1,861,870	100,495	63,606	-
Pupil transportation	701,134	1,170	7,460	24,068
Central	2,404,991	-	9,099	-
Operation of non-instructional services:				
Other non-instructional services	552,181	600	521,067	-
Extracurricular activities	579,822	117,179	6,489	-
Interest and fiscal charges	1,742,660	-	-	-
Total governmental activities	30,611,071	505,014	2,334,242	24,068
Business-type activities:				
Food service	480,168	56,239	492,459	-
Day care services	718,043	666,962	9,701	-
Total business-type activities	1,198,211	723,201	502,160	-
Totals	\$ 31,809,282	\$ 1,228,215	\$ 2,836,402	\$ 24,068

General revenues:
Property taxes levied for:
 General purposes
 Debt service
 Capital outlay
Grants and entitlements not restricted
to specific programs
Investment earnings
Fair value adjustment
Miscellaneous
Total general revenues:

Change in net position

Net position at beginning of year

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue
and Changes in Net Position**

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (12,355,408)	\$ -	\$ (12,355,408)
(3,745,196)	-	(3,745,196)
(24,236)	-	(24,236)
(30,805)	-	(30,805)
(1,375,488)	-	(1,375,488)
(676,810)	-	(676,810)
(89,879)	-	(89,879)
(1,484,635)	-	(1,484,635)
(776,233)	-	(776,233)
(197,632)	-	(197,632)
(1,697,769)	-	(1,697,769)
(668,436)	-	(668,436)
(2,395,892)	-	(2,395,892)
(30,514)	-	(30,514)
(456,154)	-	(456,154)
<u>(1,742,660)</u>	<u>-</u>	<u>(1,742,660)</u>
<u>(27,747,747)</u>	<u>-</u>	<u>(27,747,747)</u>
-	68,530	68,530
-	<u>(41,380)</u>	<u>(41,380)</u>
-	27,150	27,150
<u>(27,747,747)</u>	<u>27,150</u>	<u>(27,720,597)</u>
18,512,754	-	18,512,754
2,307,140	-	2,307,140
782,048	-	782,048
4,920,432	-	4,920,432
158,353	-	158,353
(157,611)	-	(157,611)
251,735	-	251,735
<u>26,774,851</u>	<u>-</u>	<u>26,774,851</u>
(972,896)	27,150	(945,746)
<u>1,807,296</u>	<u>(1,608,069)</u>	<u>199,227</u>
<u>\$ 834,400</u>	<u>\$ (1,580,919)</u>	<u>\$ (746,519)</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Equity in pooled cash and cash equivalents	\$ 15,840,562	\$ 3,097,271	\$ 543,213	\$ 4,394,220	\$ 23,875,266
Receivables:					
Property taxes	17,831,616	2,221,373	757,500	-	20,810,489
Accounts	4,185	-	1,787	476	6,448
Accrued interest	16,966	-	-	9,946	26,912
Interfund loans	160,087	-	-	-	160,087
Intergovernmental	72,215	-	-	147,786	220,001
Prepayments	30,624	-	-	-	30,624
Total assets	<u>\$ 33,956,255</u>	<u>\$ 5,318,644</u>	<u>\$ 1,302,500</u>	<u>\$ 4,552,428</u>	<u>\$ 45,129,827</u>
Liabilities:					
Accounts payable	\$ 115,276	\$ -	\$ 63,199	\$ 67,564	\$ 246,039
Accrued wages and benefits payable	2,225,780	-	-	90,878	2,316,658
Compensated absences payable	127,795	-	-	-	127,795
Intergovernmental payable	112,523	-	-	1,255	113,778
Pension and postemployment benefits payable	318,670	-	-	12,713	331,383
Interfund loans payable	-	-	-	160,087	160,087
Total liabilities	<u>2,900,044</u>	<u>-</u>	<u>63,199</u>	<u>332,497</u>	<u>3,295,740</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	15,830,365	1,950,937	671,560	-	18,452,862
Delinquent property tax revenue not available	572,418	71,309	24,317	-	668,044
Intergovernmental revenue not available	11,397	-	-	147,102	158,499
Accrued interest not available	11,256	-	-	6,649	17,905
Total deferred inflows of resources	<u>16,425,436</u>	<u>2,022,246</u>	<u>695,877</u>	<u>153,751</u>	<u>19,297,310</u>
Fund balances:					
Nonspendable:					
Prepays	30,624	-	-	-	30,624
Unclaimed monies	14,262	-	-	-	14,262
Scholarships	-	-	-	3,849,389	3,849,389
Restricted:					
Debt service	-	3,296,398	-	-	3,296,398
Capital projects	-	-	-	48,000	48,000
Non-public schools	-	-	-	50,057	50,057
State funded programs	-	-	-	240,531	240,531
Federally funded programs	-	-	-	578	578
Extracurricular	-	-	-	53,757	53,757
Other purposes	-	-	-	5,060	5,060
Committed:					
Capital projects	-	-	543,424	-	543,424
Termination benefits	13,061	-	-	-	13,061
Assigned:					
Student instruction	142,560	-	-	-	142,560
Student and staff support	306,373	-	-	-	306,373
Unassigned (deficit)	14,123,895	-	-	(181,192)	13,942,703
Total fund balances	<u>14,630,775</u>	<u>3,296,398</u>	<u>543,424</u>	<u>4,066,180</u>	<u>22,536,777</u>
Total liabilities, deferred inflows and fund balances:	<u>\$ 33,956,255</u>	<u>\$ 5,318,644</u>	<u>\$ 1,302,500</u>	<u>\$ 4,552,428</u>	<u>\$ 45,129,827</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2021

Total governmental fund balances		\$	22,536,777
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			57,498,659
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	668,044	
Accrued interest receivable		17,905	
Intergovernmental receivable		158,499	
Total			844,448
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.			355,677
Unamortized premiums on bonds issued are not recognized in the funds.			(3,231,788)
Unamortized amounts on refundings are not recognized in the funds.			
Unamortized deferred loss on refunding		1,198,477	
Unamortized deferred gain on refunding		(169,928)	
Total			1,028,549
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(159,875)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.			
Deferred outflows - pension		5,027,241	
Deferred inflows - pension		(1,070,437)	
Net pension liability		(27,724,133)	
Deferred outflows - OPEB		754,244	
Deferred inflows - OPEB		(2,936,436)	
Net OPEB asset		1,610,619	
Net OPEB liability		(1,846,707)	
Total			(26,185,609)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(26,123,160)	
Certificates of participation		(21,990,000)	
Capital lease obligations		(2,058,975)	
Compensated absences		(1,680,303)	
Total			(51,852,438)
Net position of governmental activities		<u>\$</u>	<u>834,400</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 18,437,286	\$ 2,303,973	\$ 780,953	\$ -	\$ 21,522,212
Intergovernmental	5,132,591	262,965	19,684	1,911,299	7,326,539
Investment earnings	157,777	-	-	56,740	214,517
Tuition and fees	211,256	-	49,842	-	261,098
Extracurricular	26,706	-	-	116,715	143,421
Rental income	100,495	-	-	-	100,495
Contributions and donations	19,491	-	-	1,000	20,491
Miscellaneous	227,006	-	5,238	94,616	326,860
Change in fair value on investments	(110,026)	-	-	(47,585)	(157,611)
Total revenues	<u>24,202,582</u>	<u>2,566,938</u>	<u>855,717</u>	<u>2,132,785</u>	<u>29,758,022</u>
Expenditures:					
Current:					
Instruction:					
Regular	9,750,445	-	82,608	182,905	10,015,958
Special	3,914,087	-	-	588,070	4,502,157
Vocational	1,285	-	-	43	1,328
Other	10,639	-	-	-	10,639
Support services:					
Pupil	1,349,883	-	-	293,079	1,642,962
Instructional staff	663,505	-	-	97,736	761,241
Board of education	88,613	-	-	1,194	89,807
Administration	1,374,410	-	-	-	1,374,410
Fiscal	717,416	21,865	-	382	739,663
Business	179,679	-	-	6,758	186,437
Operations and maintenance	1,601,594	-	98,662	61,228	1,761,484
Pupil transportation	605,320	-	67,345	24,203	696,868
Central	259,569	-	2,106,191	9,029	2,374,789
Operation of non-instructional services					
Other non-instructional services	839	-	-	537,712	538,551
Extracurricular activities	388,570	-	-	149,220	537,790
Facilities acquisition and construction	-	-	59,915	298,344	358,259
Debt service:					
Principal retirement	-	990,894	505,000	-	1,495,894
Interest and fiscal charges	-	733,242	841,663	-	1,574,905
Bond issuance costs	-	197,583	-	-	197,583
Accretion on capital appreciation bonds	-	128,106	-	-	128,106
Payment to refunded bond escrow agent	-	500,000	-	-	500,000
Total expenditures	<u>20,905,854</u>	<u>2,571,690</u>	<u>3,761,384</u>	<u>2,249,903</u>	<u>29,488,831</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,296,728</u>	<u>(4,752)</u>	<u>(2,905,667)</u>	<u>(117,118)</u>	<u>269,191</u>
Other financing sources (uses):					
Premium on bonds issued	-	1,119,333	-	-	1,119,333
Issuance of bonds	-	10,340,000	-	-	10,340,000
Insurance recoveries	-	-	2,348	-	2,348
Transfers in	-	-	1,340,000	42,850	1,382,850
Transfers (out)	(1,382,850)	-	-	-	(1,382,850)
Capital lease transaction	-	-	2,058,975	-	2,058,975
Payment to refunded bond escrow agent	-	(11,259,982)	-	-	(11,259,982)
Total other financing sources (uses)	<u>(1,382,850)</u>	<u>199,351</u>	<u>3,401,323</u>	<u>42,850</u>	<u>2,260,674</u>
Net change in fund balances	1,913,878	194,599	495,656	(74,268)	2,529,865
Fund balances at beginning of year	<u>12,716,897</u>	<u>3,101,799</u>	<u>47,768</u>	<u>4,140,448</u>	<u>20,006,912</u>
Fund balances at end of year	<u>\$ 14,630,775</u>	<u>\$ 3,296,398</u>	<u>\$ 543,424</u>	<u>\$ 4,066,180</u>	<u>\$ 22,536,777</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds	\$	2,529,865
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 672,146	
Current year depreciation	<u>(2,131,848)</u>	
Total		(1,459,702)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(12,486)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	79,730	
Earnings on investments	(11,776)	
Intergovernmental	<u>(187,801)</u>	
Total		(119,847)
Repayment of bond and COPs principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
Bonds and certificates of participation (COPS)	1,495,894	
Accretion on capital appreciation bonds	<u>128,106</u>	
Total		1,624,000
Issuance of bonds, premiums and capital leases are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.		
Bonds	(10,340,000)	
Premiums	(1,119,333)	
Capital leases	<u>(2,058,975)</u>	
Total		(13,518,308)
Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the governmental funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the year:		
Bonds refunded	10,410,000	
Premiums refunded	363,499	
Deferred charges on refundings	<u>986,483</u>	
Total		11,759,982
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Change in accrued interest payable	(21,231)	
Accreted interest on capital appreciation bonds	(223,278)	
Amortization of bond premiums	337,115	
Amortization of deferred loss	(113,964)	
Amortization of deferred gain	<u>51,186</u>	
Total		29,828
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension		1,879,651
OPEB		53,353
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension		(3,694,911)
OPEB		104,670
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(89,781)
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>(59,210)</u>
Change in net position of governmental activities	\$	<u>(972,896)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 16,418,065	\$ 16,418,065	\$ 17,589,010	\$ 1,170,945
Intergovernmental	4,951,706	4,951,706	4,996,497	44,791
Investment earnings	225,000	225,000	176,912	(48,088)
Tuition and fees	249,137	249,137	211,461	(37,676)
Extracurricular	1,600	1,600	1,264	(336)
Rental income	93,000	93,000	97,085	4,085
Charges for services	5,000	5,000	-	(5,000)
Contributions and donations	400	400	300	(100)
Miscellaneous	210,000	210,000	209,921	(79)
Total revenues	<u>22,153,908</u>	<u>22,153,908</u>	<u>23,282,450</u>	<u>1,128,542</u>
Expenditures:				
Current:				
Instruction:				
Regular	9,507,042	9,601,509	9,705,394	(103,885)
Special	4,358,581	4,401,890	4,023,647	378,243
Vocational	2,277	2,300	1,520	780
Other	10,534	10,639	10,639	-
Support services:				
Pupil	1,333,303	1,346,551	1,345,755	796
Instructional staff	720,377	727,535	711,472	16,063
Board of education	87,322	88,190	95,089	(6,899)
Administration	1,362,324	1,375,861	1,359,000	16,861
Fiscal	763,712	771,301	708,490	62,811
Business	180,568	182,362	179,279	3,083
Operations and maintenance	1,730,199	1,747,391	1,715,372	32,019
Pupil transportation	654,154	660,654	652,058	8,596
Central	284,661	287,490	265,299	22,191
Extracurricular activities	374,551	378,273	380,829	(2,556)
Total expenditures	<u>21,369,605</u>	<u>21,581,946</u>	<u>21,153,843</u>	<u>428,103</u>
Excess of revenues over expenditures	<u>784,303</u>	<u>571,962</u>	<u>2,128,607</u>	<u>1,556,645</u>
Other financing sources (uses):				
Refund of prior year's expenditures	60,000	60,000	58,535	(1,465)
Transfers (out)	(1,060,000)	(1,060,000)	(1,480,000)	(420,000)
Advances in	192,586	192,586	146,474	(46,112)
Advances (out)	(100,000)	(100,000)	(100,822)	(822)
Total other financing sources (uses)	<u>(907,414)</u>	<u>(907,414)</u>	<u>(1,375,813)</u>	<u>(468,399)</u>
Net change in fund balance	(123,111)	(335,452)	752,794	1,088,246
Fund balance at beginning of year	13,741,942	13,741,942	13,741,942	-
Prior year encumbrances appropriated	212,341	212,341	212,341	-
Fund balance at end of year	<u>\$ 13,831,172</u>	<u>\$ 13,618,831</u>	<u>\$ 14,707,077</u>	<u>\$ 1,088,246</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Day Care Services	Nonmajor Enterprise Fund	Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
Assets:				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 123,986	\$ 143,932	\$ 267,918	\$ 624,042
Receivables:				
Accounts	1,100	18	1,118	1,717
Intergovernmental	-	22,243	22,243	-
Materials and supplies inventory	-	354	354	-
Inventory held for resale	-	5,034	5,034	-
Total current assets	<u>125,086</u>	<u>171,581</u>	<u>296,667</u>	<u>625,759</u>
Noncurrent assets:				
Net OPEB asset	5,588	-	5,588	-
Depreciable capital assets, net	-	13,691	13,691	-
Total noncurrent assets	<u>5,588</u>	<u>13,691</u>	<u>19,279</u>	<u>-</u>
Total assets	<u>130,674</u>	<u>185,272</u>	<u>315,946</u>	<u>625,759</u>
Deferred outflows of resources:				
Pension	141,492	53,800	195,292	-
OPEB	85,146	32,851	117,997	-
Total deferred outflows of resources	<u>226,638</u>	<u>86,651</u>	<u>313,289</u>	<u>-</u>
Liabilities:				
Accounts payable	2,625	84	2,709	-
Accrued wages and benefits	43,844	27,702	71,546	-
Compensated absences	14,279	-	14,279	-
Pension and postemployment benefits payable	13,780	10,957	24,737	-
Intergovernmental payable	631	368	999	-
Claims payable	-	-	-	270,082
Total current liabilities	<u>75,159</u>	<u>39,111</u>	<u>114,270</u>	<u>270,082</u>
Long-term liabilities:				
Compensated absences payable	69,932	42,629	112,561	-
Net pension liability	858,035	321,139	1,179,174	-
Net OPEB liability	259,910	106,858	366,768	-
Total long-term liabilities:	<u>1,187,877</u>	<u>470,626</u>	<u>1,658,503</u>	<u>-</u>
Total liabilities	<u>1,263,036</u>	<u>509,737</u>	<u>1,772,773</u>	<u>270,082</u>
Deferred inflows of resources:				
Pension	132,916	-	132,916	-
OPEB	247,429	57,036	304,465	-
Total deferred inflows of resources	<u>380,345</u>	<u>57,036</u>	<u>437,381</u>	<u>-</u>
Net position:				
Investment in capital assets	-	13,691	13,691	-
Unrestricted	(1,286,069)	(308,541)	(1,594,610)	355,677
Total net position	<u>\$ (1,286,069)</u>	<u>\$ (294,850)</u>	<u>\$ (1,580,919)</u>	<u>\$ 355,677</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Special Services	Nonmajor Enterprise Fund	Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
Operating revenues:				
Sales/charges for services	\$ 666,962	\$ 56,239	\$ 723,201	\$ 2,733,671
Other	-	-	-	117,095
Total operating revenues	<u>666,962</u>	<u>56,239</u>	<u>723,201</u>	<u>2,850,766</u>
Operating expenses:				
Personal services	576,775	256,703	833,478	-
Purchased services	92,540	14,674	107,214	120,762
Materials and supplies	48,728	204,586	253,314	1,230
Other	-	773	773	-
Claims	-	-	-	2,787,984
Depreciation	-	3,432	3,432	-
Total operating expenses	<u>718,043</u>	<u>480,168</u>	<u>1,198,211</u>	<u>2,909,976</u>
Operating loss	<u>(51,081)</u>	<u>(423,929)</u>	<u>(475,010)</u>	<u>(59,210)</u>
Nonoperating revenues:				
Grants and subsidies	<u>9,701</u>	<u>492,459</u>	<u>502,160</u>	<u>-</u>
Total nonoperating revenues	<u>9,701</u>	<u>492,459</u>	<u>502,160</u>	<u>-</u>
Change in net position	(41,380)	68,530	27,150	(59,210)
Net position at beginning of year	<u>(1,244,689)</u>	<u>(363,380)</u>	<u>(1,608,069)</u>	<u>414,887</u>
Net position at end of year	<u>\$ (1,286,069)</u>	<u>\$ (294,850)</u>	<u>\$ (1,580,919)</u>	<u>\$ 355,677</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Day Care Services	Nonmajor Enterprise Fund	Total Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
Cash flows from operating activities:				
Cash received from sales/charges for services	\$ 665,862	\$ 54,027	\$ 719,889	\$ 2,733,671
Cash received from other operations	-	2,194	2,194	115,378
Cash payments for personal services	(564,321)	(217,980)	(782,301)	-
Cash payments for contractual services	(91,394)	(14,674)	(106,068)	(120,762)
Cash payments for materials and supplies	(48,530)	(158,329)	(206,859)	(1,230)
Cash payments for claims	-	-	-	(2,768,789)
Cash payments for other expenses	-	(773)	(773)	(405)
Net cash used in operating activities	<u>(38,383)</u>	<u>(335,535)</u>	<u>(373,918)</u>	<u>(42,137)</u>
Cash flows from noncapital financing activities:				
Cash received from grants and subsidies	<u>9,701</u>	<u>419,492</u>	<u>429,193</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>9,701</u>	<u>419,492</u>	<u>429,193</u>	<u>-</u>
Net change in cash and cash equivalents	(28,682)	83,957	55,275	(42,137)
Cash and cash equivalents at beginning of year	<u>152,668</u>	<u>59,975</u>	<u>212,643</u>	<u>666,179</u>
Cash and cash equivalents at end of year	<u><u>\$ 123,986</u></u>	<u><u>\$ 143,932</u></u>	<u><u>\$ 267,918</u></u>	<u><u>\$ 624,042</u></u>
Reconciliation of operating loss to net cash used in operating activities:				
Operating loss	\$ (51,081)	\$ (423,929)	\$ (475,010)	\$ (59,210)
Adjustments:				
Depreciation	-	3,432	3,432	-
Federal donated commodities	-	50,724	50,724	-
Change in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
Materials and supplies inventory	-	(89)	(89)	-
Inventory held for sale	-	(1,223)	(1,223)	-
Accounts receivable	(1,100)	(18)	(1,118)	(1,717)
Net OPEB asset	(426)	-	(426)	-
Deferred outflows - pension	26,765	(14,921)	11,844	-
Deferred outflows - OPEB	(6,857)	(11,163)	(18,020)	-
Accounts payable	1,344	(3,155)	(1,811)	-
Accrued wages and benefits	17,975	1,869	19,844	-
Intergovernmental payable	317	25	342	(405)
Compensated absences payable	24,266	4,656	28,922	-
Pension and postemployment benefits payable	4,308	1,928	6,236	-
Net pension liability	(133,858)	47,169	(86,689)	-
Net OPEB liability	(139,417)	(11,676)	(151,093)	-
Deferred inflows - pension	97,621	(3,517)	94,104	-
Deferred inflows - OPEB	121,760	24,353	146,113	-
Claims payable	-	-	-	19,195
Net cash used in operating activities	<u><u>\$ (38,383)</u></u>	<u><u>\$ (335,535)</u></u>	<u><u>\$ (373,918)</u></u>	<u><u>\$ (42,137)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 - DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY

The Fairview Park City School District (the “District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is located in Fairview Park, Ohio, Cuyahoga County. The District operates under a locally elected five-member Board form of government and provides educational services as mandated by State and/or federal agencies. The Board of Education controls the District’s instructional/support facilities staffed by 83 classified employees, 122 certificated full-time teaching personnel, and 11 administrators who provide services to 1,559 students and other community members.

The Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Within the District’s boundaries the elementary schools of St. Angela Merici, Messiah Lutheran, and Murton’s Child Development Center operate as non-public schools. Current State legislation provides funding to these schools. These monies are received and distributed on behalf of the schools by the Treasurer/ CFO of the District as directed by the schools. The activity of these State monies by the District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only the financial activity of the District (the primary government).

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 - DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY - (Continued)

The following organizations are described due to their relationship to the District.

JOINTLY GOVERNED ORGANIZATIONS

Connect

Connect, formerly known as the North Coast Council, is a jointly governed organization serving twenty-four school districts and two educational service centers. Connect was organized pursuant to Ohio Revised Code Chapter 167 as a regional council of governments for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among the member districts. Connect operates as an information technology center pursuant to ORC 3301.075. Each of the governments of these schools supports Connect based on a per pupil charge dependent upon the software packages used. The District contributed \$78,884 to Connect during fiscal year 2021. Connect is governed by a four-member Board of Directors consisting of the Superintendent of the Educational Service Center of Northeast Ohio, the Superintendent of the Educational Service Center of Lorain County, the Superintendent of the Educational Service Center of Medina County, and the Executive Director of the Ohio Schools Council. Financial information can be obtained by contacting the Treasurer at the Educational Service Center of Northeast Ohio, who serves as fiscal agent, at 5700 West Canal Road, Valley View, Ohio 44125.

Polaris Career Center

The Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special needs of the students. The Board of Education consists of representatives from the Board of each participating school district, independent of the District. The Board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. District students may attend the vocational school. Each school district's control is limited to its representation on the Board. Financial information may be obtained by contacting the Polaris Career Center, 7285 Old Oak Blvd., Middleburg Heights, Ohio 44130.

Ohio Schools' Council Association

The Ohio Schools Council (Council) is a jointly governed organization among 126 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2021, the District paid \$43,560 to the Council for annual membership and other fees. Financial information can be obtained by contacting the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The District participates in the natural gas purchase program. This program allows the District to purchase natural gas at reduced rates. Compass Energy is the natural gas supplier and program manager. There are currently 143 participants in the program including the Fairview Park City School District. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 - DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY - (Continued)

INSURANCE PURCHASING POOLS

Great Lakes Regional Council of Governments

The District participates in the Great Lakes Regional Council of Governments (COG), an insurance purchasing pool. The COG contracts with Medical Mutual, LLC. to process and pay health benefit claims incurred by its members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The most significant of the District's accounting policies are described below.

A. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories of governmental, proprietary, and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance.

The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond retirement fund - The bond retirement fund is used to account for the resources restricted for payment of general long-term debt principal, interest and related costs.

Permanent improvement fund - The permanent improvement fund is used to account for all transactions that restricted to the acquiring, constructing or improving of facilities.

Other governmental funds of the District are used to account for (a) financial resources that are restricted or committed to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

PROPRIETARY FUNDS

Proprietary funds focus on the determination of operating income/loss, changes in net position, financial position and cash flows and are classified as either enterprise or internal service.

Enterprise funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's enterprise funds account for the financial transactions related to the food service operations and day care services. The day care services fund is a major fund and the food service fund is nonmajor fund.

Internal service funds - Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District on a cost-reimbursement basis. The District's internal service funds account for a flexible spending account for employee benefits and self-insurance for employee medical and dental benefits.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District did not have any custodial funds at June 30, 2021.

B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. Generally, interfund transactions are eliminated for reporting on the government-wide financial statements; however, interfund services provided and used are not eliminated for reporting on the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are aggregated and presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current deferred outflows of resources, current liabilities and current inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences between the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of year end.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, see Note 12 and 13 for deferred outflows of resources related the District's net pension liability and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the District, see Note 12 and 13 for deferred inflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Equity in Pooled Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During fiscal year 2021, investments included commercial paper, Federal Home Loan bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, negotiable certificates of deposit, U.S. U.S. Treasury bills, Treasury notes, U.S. Government money market mutual funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

During fiscal year 2021, the District invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2021 amounted to \$157,777 which includes \$40,001 assigned from other funds.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

E. Inventory

On government-wide and fund financial statements, materials and supplies inventory are reported as cost, inventories held for resale are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method. Inventory consists of expendable supplies held for consumption, donated food and purchased food.

F. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the assets or materially extend an asset's life are not.

All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	10-30 years	N/A
Buildings and improvements	10-50 years	N/A
Furniture, fixtures and equipment	5-15 years	5-15 years
Vehicles	8-10 years	N/A
Textbooks	7 years	N/A

G. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable/payable". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. The District's policy of internal service activity in the government-wide statement of activities indicates that interfund services provided and used are eliminated in the process of consolidation and any residual balance of the internal service activity is allocated on a pro-rata basis to the activities and functions participating in the internal service fund.

H. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service and salary related payments, if applicable.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy. The District records a liability for accumulated unused sick leave for classified, certified, and administrative employees after eight years of current service with the District.

The entire compensated absences liability is reported on the government-wide statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

I. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

J. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education. The Board of Education assigns fund balance by resolution. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

K. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

L. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

M. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are charges for food service, fees for day care service, health insurance charges and charges for a flexible benefits plan for employees. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund, including claims payments for health insurance. Revenues and expenses not meeting this definition are reported as non-operating.

N. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

O. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2021.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

P. Budgetary Data

All funds, other than custodial funds, are legally required to be budgeted and appropriated. The major documents are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed prior to fiscal year end.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

Q. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 17.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

R. Budget Stabilization Arrangement

The District has established a budget stabilization reserve in accordance with authority established by State law. Additions to the budget stabilization reserve can only be made by formal resolution of the Board of Education. Expenditures out of the budget stabilization reserve can only be made to offset future budget deficits. At June 30, 2021, the balance in the budget stabilization reserve was \$373,830. This amount is included in unassigned fund balance of the general fund and in unrestricted net position on the statement of net position.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

S. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, net OPEB asset, deferred outflows of resources and deferred inflows of resources related pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

T. Fair Value

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2021, the District has applied GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance." GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Certain provisions contained in the following pronouncements were scheduled to be implemented for the fiscal year ended June 30, 2021. Due to the implementation of GASB Statement No. 95, the effective dates of certain provisions contained in these pronouncements are postponed until the fiscal year ended June 30, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

For fiscal year 2021, the District has implemented GASB Statement No. 98, "The Annual Comprehensive Financial Report." GASB Statement No. 98 establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in general accepted accounting principles for state and local governments. The implementation of GASB Statement No. 98 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2021 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Elementary and Secondary School Emergency	\$ 23,244
IDEA Part B	110,385
Title I	38,979
Improving Teacher Quality	6,065
Miscellaneous Federal Grants	2,519

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in such securities described are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Protection of the deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits

At June 30, 2021, the carrying amount of all District deposits was \$2,543,229 and the bank balance of all District deposits was \$2,760,249. Of the bank balance, \$500,000 was covered by the FDIC and \$2,260,249 was potentially exposed to custodial credit risk discussed below because those deposits were uninsured and could be uncollateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2021, the District's financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of June 30, 2021, the District had the following investments and maturities:

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Fair value:</i>						
Commercial paper	\$ 4,742,257	\$ 2,999,159	\$ 1,743,098	\$ -	\$ -	\$ -
FHLB	2,442,599	-	455,934	-	-	1,986,665
FHLMC	1,493,863	-	-	-	99,987	1,393,876
FNMA	714,046	-	-	152,157	-	561,889
Negotiable CDs	5,562,001	246,713	1,001,114	1,521,257	1,011,541	1,781,376
US Treasury Bills	100,000	100,000	-	-	-	-
US Treasury Notes	2,071,885	301,393	506,151	306,470	156,885	800,986
US Government money market	1,373,516	1,373,516	-	-	-	-
<i>Amortized cost:</i>						
STAR Ohio	<u>3,723,830</u>	<u>3,723,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 22,223,997</u>	<u>\$ 8,744,611</u>	<u>\$ 3,706,297</u>	<u>\$ 1,979,884</u>	<u>\$ 1,268,413</u>	<u>\$ 6,524,792</u>

The weighted average maturity of investments is 1.33 years.

The District's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs).

The District's investments in commercial paper, federal agency securities (FFCB, FHLB, FHLMC, FNMA), negotiable certificates of deposit, US Treasury Notes and US Treasury Bills are valued using quoted market prices that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

The District has a formal investment policy. The District follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At June 30, 2021, the decrease in fair value of investments was \$157,611 which is reported as a decrease in fair value of investments on the financial statements. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

C. Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the District's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the District's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

D. Credit Risk

The District's investments in commercial paper, U.S. Treasury Notes and U.S. Treasury Bills were rated A-1 and P-1 by Standard & Poor's and Moody's Investor Services, respectively. The District's investments in federal agency were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The District's investments in U.S. Government money market mutual funds and STAR Ohio were rated AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The negotiable certificates of deposit were fully covered by the FDIC. The District has no investment policy that would further limit the investment choices.

E. Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities and U.S Treasury securities are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

F. Concentration of Credit Risk

The District places no limit on the amount it may invest in any one issuer. The District's investments in federal agency securities, U.S. Treasury bills and notes and U.S. government money market mutual funds represent 15.95% of the District's total investments. All other investments not explicitly guaranteed by the U.S. government are 84.05% of the District's total investments.

Investments at year end were as follows:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair value:</i>		
Commercial paper	\$ 4,742,257	21.34 %
FHLB	2,442,599	10.99
FHLMC	1,493,863	6.72
FNMA	714,046	3.21
Negotiable CDs	5,562,001	25.03
US Treasury Bills	100,000	0.45
US Treasury Notes	2,071,885	9.32
US Government money market	1,373,516	6.18
<i>Amortized cost:</i>		
STAR Ohio	<u>3,723,830</u>	<u>16.76</u>
Total	<u>\$ 22,223,997</u>	<u>100.00 %</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

G. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2021:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 2,543,229
Investments	<u>22,223,997</u>
Total	<u>\$ 24,767,226</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 24,499,308
Business-type activities	<u>267,918</u>
Total	<u>\$ 24,767,226</u>

NOTE 5 - INTERFUND TRANSFERS AND BALANCES

A. Interfund Transfers

During fiscal year 2021, interfund transfers were as follows:

Transfers from general fund to:

Permanent improvement fund	\$ 1,340,000
Nonmajor governmental funds	<u>42,850</u>
Total	<u>\$ 1,382,850</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported on the statement of activities.

B. Interfund Balances

Interfund balances related to “interfund loans receivable/payable” on fund financial statements at June 30, 2021 consist of the following:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u>\$ 160,087</u>

The primary purpose of interfund balances for interfund loans receivable/payable is to cover costs in a specific fund where revenues were not received by June 30 but are expected to be received within the next year. These interfund balances will be repaid once the anticipated revenues are received.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2021 represent the collection of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed values as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2021 represent the collection of calendar year 2020 taxes. Public utility real and personal property taxes received in calendar year 2021 became a lien on December 31, 2019, were levied after April 1, 2020, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Cuyahoga County. The County Fiscal Officer periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2021, are available to finance fiscal year 2021 operations. The amount available for advance at June 30, 2021 was \$1,428,833 in the general fund, \$199,127 in the bond retirement fund and \$61,623 in the permanent improvement fund. This amount is recorded as revenue. The amount available as an advance at June 30, 2020 was \$580,558 in the general fund, \$80,909 in the bond retirement fund and \$25,039 in the permanent improvement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2021 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflow of resources.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow of resources.

The assessed values upon which the fiscal year 2021 taxes were collected are:

	2020 Second Half Collections		2021 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 402,019,580	98.52	\$ 400,640,380	98.44
Public utility personal	<u>6,040,490</u>	<u>1.48</u>	<u>6,341,500</u>	<u>1.56</u>
Total	<u>\$ 408,060,070</u>	<u>100.00</u>	<u>\$ 406,981,880</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$98.12		\$106.02	

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7 - RECEIVABLES

Receivables at June 30, 2021 consisted of property taxes, accounts (rent and billings for user charged services), accrued interest, and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

A summary of the principal items of receivables reported on the statement of net position follows:

	<u>Receivables</u>
Governmental activities:	
Property taxes	\$ 20,810,489
Accounts	8,165
Accrued interest	26,912
Intergovernmental	<u>220,001</u>
Total governmental activities	<u>\$ 21,065,567</u>
Business-type activities:	
Accounts	\$ 1,118
Intergovernmental	<u>22,243</u>
Total business-type activities	<u>\$ 23,361</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

NOTE 8 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. In order to minimize these components of risk, the District has obtained a number of insurance packages.

The Argonaut Insurance Company, through the McGowan Governmental Underwriters of America, Inc., provides building and personal property insurance. The Argonaut Insurance Company, through the McGowan Governmental Underwriters of America, Inc., also provides public employee dishonesty coverage (commercial crime coverage). The Argonaut Insurance Company, through the McGowan Governmental Underwriters of America, Inc., provides commercial general liability insurance, employer's liability insurance, umbrella liability insurance, automobile liability insurance, and uninsured motorists insurance.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8 - RISK MANAGEMENT - (Continued)

During fiscal year 2021, the District had the following coverage in effect:

<u>Type of Coverage</u>	<u>Coverage Amount</u>
Building and Contents (\$2,500 deductible)	\$95,425,790
Miscellaneous Unscheduled Equipment (\$500 deductible)	100,000
Crime Insurance (\$500 deductible)	50,000
Vehicles (\$1,000 deductible)	1,000,000
General Liability (per occurrence)	1,000,000
General Liability (aggregate)	3,000,000
Uninsured Motorist (per occurrence)	1,000,000
Other Than Umbrella Liability (per occurrence)	4,000,000
Other Than Umbrella Liability (aggregate)	4,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no change from prior year coverage.

B. Workers' Compensation

The District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool for calendar year 2021. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to districts that can meet the GRP's selection criteria. The firm of CompManagement provides administrative, cost control, and actuarial services to the GRP.

C. Employee Group Medical/Surgical, Dental and Life Insurance

Medical/surgical and dental insurance is offered to employees through a self-insurance internal service fund. The District is a member of the Great Lakes Regional Council of Governments, an insurance purchasing pool, in which monthly premiums are paid to the fiscal agent who in turn pays the claims on the District's behalf. The claims liability of \$270,082 reported in the internal service fund at June 30, 2021 is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

Changes in claims activity for the past fiscal year is as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2021	\$ 250,887	\$ 2,787,984	\$ (2,768,789)	\$ 270,082
2020	345,137	2,916,293	(3,010,543)	250,887

**FAIRVIEW PARK CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8 - RISK MANAGEMENT - (Continued)

Medical coverage was provided through Medical Mutual. For full-time certified employees and administrators, the District paid 85% of the monthly premium. The District's required monthly premium for single, two-person and family coverage was \$571.74, \$1,090.86 and \$1,894.65, respectively, in fiscal year 2021. For full-time classified employees, the District paid 92% of the monthly premium. The District's required monthly premium for single, two-person and family coverage was \$604.03, \$1,152.45 and \$2,001.65, respectively, in fiscal year 2021. For part-time classified employees, who are eligible for coverage, the District's portion of the monthly insurance premium varied depending upon the number of hours worked per day by the employee. For day care employees, the District paid 100% of the monthly cost of coverage which, for a single individual, was \$672.64 in fiscal year 2021.

Dental coverage was provided through MetLife. For full-time certified employees and administrators, the District paid over 85% of the single monthly premium, over 92% for two-person coverage and over 95% of the family monthly premium. The District's required monthly premium for single, two-person and family coverage was \$30.14, \$59.03 and \$103.13, respectively, in fiscal year 2021. For full-time classified employees and administrators, the District paid over 85% of the single monthly premium, over 92% for two-person coverage and over 95% of the family monthly premium. The District's required monthly premium for single, two-person and family coverage was \$30.14, \$59.03 and \$103.13, respectively, in fiscal year 2021. For part-time classified employees, who are eligible for coverage, the District's portion of the monthly insurance premium varied depending upon the number of hours worked per day. For day care employees, the District paid 100% of the monthly cost of coverage which, for a single individual, was \$35.14 in fiscal year 2021.

Life insurance coverage was provided through Liberty Mutual Issuance. Classified and certified employees received \$50,000 in coverage with the District paying 100% of the monthly premium which was \$5.00 for fiscal year 2020. Administrators received \$125,000 in coverage with the District paying 100% of the monthly premium which was \$12.50 for fiscal year 2021. Day care employees received \$13,000 in coverage with the District paying 100% of the monthly premium which was \$1.30 for fiscal year 2021.

NOTE 9 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws.

A. Vacation Leave

Only administrative and school support personnel accumulate annual vacation leave. Accumulated unused vacation time is paid upon termination of employment.

School support personnel accumulate annual vacation leave as follows:

<u>Completed Service</u>	<u>Vacation Leave</u>
After 1 year	2 weeks
6 thru 9 years	3 weeks
10 thru 24 years	4 weeks
25 or more years	5 weeks

Administrative personnel accumulate 20 days vacation leave. The Superintendent and Treasurer's vacation accumulation is dictated by their contracts.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - EMPLOYEE BENEFITS - (Continued)

B. Sick Leave

Each professional staff member is entitled to fifteen (15) days sick leave with pay for each year under contract. The sick leave accrues at the rate of one and one fourth (1- 1/4) days for each calendar month under contract. Upon retirement, an administrative or certified employee receives payment for 25% of their accumulated but unused sick leave balance up to a maximum of 40 days. Upon retirement, a classified employee receives payment for 50% of their accumulated but unused sick leave up to a maximum of 85 days.

NOTE 10 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General	\$ 366,942
Permanent improvement	40,375
Other governmental	<u>207,387</u>
Total	<u><u>\$ 614,704</u></u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - CAPITAL ASSETS

Governmental capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 335,688	\$ -	\$ -	\$ 335,688
Total capital assets, not being depreciated	<u>335,688</u>	<u>-</u>	<u>-</u>	<u>335,688</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	1,940,728	10,979	-	1,951,707
Buildings and improvements	75,552,666	482,913	-	76,035,579
Furniture, fixtures and equipment	2,515,146	86,842	(41,623)	2,560,365
Vehicles	1,208,968	91,412	-	1,300,380
Textbooks	1,743,017	-	-	1,743,017
Total capital assets, being depreciated	<u>82,960,525</u>	<u>672,146</u>	<u>(41,623)</u>	<u>83,591,048</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(1,229,180)	(81,177)	-	(1,310,357)
Buildings and improvements	(18,821,797)	(1,838,071)	-	(20,659,868)
Furniture, fixtures and equipment	(1,867,251)	(150,367)	29,137	(1,988,481)
Vehicles	(881,489)	(54,403)	-	(935,892)
Textbooks	(1,525,649)	(7,830)	-	(1,533,479)
Total accumulated depreciation	<u>(24,325,366)</u>	<u>(2,131,848)</u>	<u>29,137</u>	<u>(26,428,077)</u>
Total capital assets, being depreciated, net	<u>58,635,159</u>	<u>(1,459,702)</u>	<u>(12,486)</u>	<u>57,162,971</u>
Governmental activities capital assets, net	<u>\$ 58,970,847</u>	<u>\$ (1,459,702)</u>	<u>\$ (12,486)</u>	<u>\$ 57,498,659</u>

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 1,915,237
Vocational	49,688
<u>Support services:</u>	
Pupil	347
Instructional staff	8,762
Administration	625
Operations and maintenance	31,713
Pupil transportation	54,403
Central	67,523
Extracurricular	<u>3,550</u>
Total depreciation expense	<u>\$ 2,131,848</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - CAPITAL ASSETS (Continued)

Business-type capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Balance			Balance
	<u>July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2021</u>
Business-type activities:				
<i>Capital assets, being depreciated:</i>				
Furniture, fixtures and equipment	\$ 247,823	\$ -	\$ -	\$ 247,823
Total capital assets, being depreciated	<u>247,823</u>	<u>-</u>	<u>-</u>	<u>247,823</u>
<i>Less: accumulated depreciation</i>				
Furniture, fixtures and equipment	<u>(230,700)</u>	<u>(3,432)</u>	<u>-</u>	<u>(234,132)</u>
Total accumulated depreciation	<u>(230,700)</u>	<u>(3,432)</u>	<u>-</u>	<u>(234,132)</u>
Total capital assets, being depreciated, net	<u>17,123</u>	<u>(3,432)</u>	<u>-</u>	<u>13,691</u>
Business-type activities capital assets, net	<u>\$ 17,123</u>	<u>\$ (3,432)</u>	<u>\$ -</u>	<u>\$ 13,691</u>

All depreciation expense was charged to the food service fund.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability/Asset

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension/OPEB liability (asset) represent the District’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the District’s obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the District does receive the benefit of employees’ services in exchange for compensation including pension and OPEB.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension/OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in pension and postemployment benefits payable on both the accrual and modified accrual bases of accounting.

Plan Description - School Employees Retirement System (SERS)

Plan Description - The District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Age 65 with 5 years of services credit; or Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit; or Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017 will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2% for the first thirty years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

Effective January 1, 2018, SERS cost-of-living adjustment (COLA) changed from a fixed 3% annual increase to one based on the Consumer Price Index (CPI-W) with a cap of 2.5% and a floor of 0%. SERS also has the authority to award or suspend the COLA, or to adjust the COLA above or below CPI-W. SERS suspended the COLA increases for 2018, 2019 and 2020 for current retirees, and confirmed their intent to implement a four-year waiting period for the start of a COLA for future retirees. For 2021, the COLA was 0.5%.

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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, the allocation to pension, death benefits, and Medicare B was 14.0%.

The District's contractually required contribution to SERS was \$456,065 for fiscal year 2021. Of this amount, \$71,025 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Licensed teachers participate in STRS, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at www.strsoh.org.

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined (CO) Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 28 years of service, or 33 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all of their member contributions and 9.53% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 and after termination of employment.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For fiscal year 2021, plan members were required to contribute 14% of their annual covered salary. The District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2021 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$1,504,356 for fiscal year 2021. Of this amount, \$213,076 is reported as pension and postemployment benefits payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.10167270%	0.09284674%	
Proportion of the net pension liability current measurement date	<u>0.10057310%</u>	<u>0.09196059%</u>	
Change in proportionate share	<u>-0.00109960%</u>	<u>-0.00088615%</u>	
Proportionate share of the net pension liability	\$ 6,652,117	\$ 22,251,190	\$ 28,903,307
Pension expense	\$ 609,729	\$ 3,185,212	\$ 3,794,941

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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 12,921	\$ 49,927	\$ 62,848
Net difference between projected and actual earnings on pension plan investments	422,275	1,082,076	1,504,351
Changes of assumptions	-	1,194,460	1,194,460
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	95,350	405,103	500,453
Contributions subsequent to the measurement date	<u>456,065</u>	<u>1,504,356</u>	<u>1,960,421</u>
Total deferred outflows of resources	<u>\$ 986,611</u>	<u>\$ 4,235,922</u>	<u>\$ 5,222,533</u>
	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 142,283	\$ 142,283
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>148,828</u>	<u>912,242</u>	<u>1,061,070</u>
Total deferred inflows of resources	<u>\$ 148,828</u>	<u>\$ 1,054,525</u>	<u>\$ 1,203,353</u>

\$1,960,421 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2022	\$ (38,970)	\$ 832,724	\$ 793,754
2023	112,467	46,932	159,399
2024	176,012	352,736	528,748
2025	<u>132,209</u>	<u>444,649</u>	<u>576,858</u>
Total	<u>\$ 381,718</u>	<u>\$ 1,677,041</u>	<u>\$ 2,058,759</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2020, are presented below:

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
COLA or ad hoc COLA	2.50%
Investment rate of return	7.50% net of investment expense, including inflation
Actuarial cost method	Entry age normal (level percent of payroll)

For 2020, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disabled members was based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	1.85 %
US Equity	22.50	5.75
International Equity	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	100.00 %	

Discount Rate - The total pension liability was calculated using the discount rate of 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.50%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 9,112,588	\$ 6,652,117	\$ 4,587,735

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation are presented below:

	July 1, 2020
Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45%, net of investment expenses, including inflation
Payroll increases	3.00%
Cost-of-living adjustments (COLA)	0.00%

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

For the July 1, 2020, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS Ohio's investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

**10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total pension liability was 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on pension plan investments of 7.45% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2020.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45%) or one-percentage-point higher (8.45%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 31,681,822	\$ 22,251,190	\$ 14,259,516

**FAIRVIEW PARK CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 12 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2021, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the District's surcharge obligation was \$63,949.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$63,949 for fiscal year 2021. Of this amount, \$63,949 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2020, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability/asset was measured as of June 30, 2020, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.10465860%	0.09284674%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.10184730%</u>	<u>0.09196059%</u>	
Change in proportionate share	<u>-0.00281130%</u>	<u>-0.00088615%</u>	
Proportionate share of the net OPEB liability	\$ 2,213,475	\$ -	\$ 2,213,475
Proportionate share of the net OPEB asset	\$ -	\$ (1,616,207)	\$ (1,616,207)
OPEB expense	\$ (63,992)	\$ (53,506)	\$ (117,498)

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 29,073	\$ 103,559	\$ 132,632
Net difference between projected and actual earnings on OPEB plan investments	24,942	56,639	81,581
Changes of assumptions	377,321	26,679	404,000
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	29,828	160,251	190,079
Contributions subsequent to the measurement date	<u>63,949</u>	<u>-</u>	<u>63,949</u>
Total deferred outflows of resources	<u>\$ 525,113</u>	<u>\$ 347,128</u>	<u>\$ 872,241</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 1,125,707	\$ 321,927	\$ 1,447,634
Changes of assumptions	55,751	1,535,127	1,590,878
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>152,716</u>	<u>49,673</u>	<u>202,389</u>
Total deferred inflows of resources	<u>\$ 1,334,174</u>	<u>\$ 1,906,727</u>	<u>\$ 3,240,901</u>

\$63,949 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2022	\$ (175,899)	\$ (374,760)	\$ (550,659)
2023	(174,098)	(336,423)	(510,521)
2024	(174,390)	(322,978)	(497,368)
2025	(168,570)	(367,839)	(536,409)
2026	(131,290)	(79,289)	(210,579)
Thereafter	<u>(48,763)</u>	<u>(78,310)</u>	<u>(127,073)</u>
Total	<u>\$ (873,010)</u>	<u>\$ (1,559,599)</u>	<u>\$ (2,432,609)</u>

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2020 are presented below:

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
Investment rate of return	7.50% net of investment expense, including inflation
Municipal bond index rate:	
Measurement date	2.45%
Prior measurement date	3.13%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Measurement date	2.63%
Prior measurement date	3.22%
Medical trend assumption:	
Measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 to 4.75%
Prior measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 to 4.75%

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120% of male rates and 110% of female rates. RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	1.85 %
US Equity	22.50	5.75
International Equity	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	<u>100.00 %</u>	

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63%. The discount rate used to measure total OPEB liability prior to June 30, 2019 was 3.22%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45%, as of June 30, 2020 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. A municipal bond rate of 3.13% was used as of June 30, 2019. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.63%) and higher (3.63%) than the current discount rate (2.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate (7.00% decreasing to 4.75%).

	1% Decrease	Current Discount Rate	1% Increase
	District's proportionate share of the net OPEB liability	\$ 2,709,239	\$ 2,213,475

	1% Decrease	Current Trend Rate	1% Increase
	District's proportionate share of the net OPEB liability	\$ 1,742,943	\$ 2,213,475

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation, compared with July 1, 2019, are presented below:

	July 1, 2020		July 1, 2019	
	Initial	Ultimate	Initial	Ultimate
Inflation	2.50%		2.50%	
Projected salary increases	12.50% at age 20 to 2.50% at age 65		12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.45%, net of investment expenses, including inflation		7.45%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discount rate of return	7.45%		7.45%	
Blended discount rate of return	N/A		N/A	
Health care cost trends				
Medical				
Pre-Medicare	5.00%	4.00%	5.87%	4.00%
Medicare	-6.69%	4.00%	4.93%	4.00%
Prescription Drug				
Pre-Medicare	6.50%	4.00%	7.73%	4.00%
Medicare	11.87%	4.00%	9.62%	4.00%

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Assumption Changes Since the Prior Measurement Date - There were no changes in assumptions since the prior measurement date of June 30, 2019.

Benefit Term Changes Since the Prior Measurement Date - There was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

**10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total OPEB asset was 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was used to measure the total OPEB asset as of June 30, 2020.

Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2020, calculated using the current period discount rate assumption of 7.45%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45%) or one percentage point higher (8.45%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease	Current Discount Rate	1% Increase
	District's proportionate share of the net OPEB asset	\$ 1,406,204	\$ 1,616,207

	1% Decrease	Current Trend Rate	1% Increase
	District's proportionate share of the net OPEB asset	\$ 1,783,325	\$ 1,616,207

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 14 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

B. Litigation

The District is involved in no material litigation as either plaintiff or defendant.

C. Foundation Funding

Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year-end. As of the date of this report, additional ODE adjustments for fiscal year 2021 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2021 financial statements is not determinable at this time. Management believes this will result in either a receivable to, or liability of, the District.

NOTE 15 - ENDOWMENT

In fiscal years 2002 and 2003, the District received a three million dollar endowment from a former school graduate to create two annual scholarships. At June 30, 2021, the balance of the endowment was \$3,849,389 and no amount was available for expenditure. The principal of the endowment is reported as “nonspendable - scholarships” on the balance sheet. Per section 3313.36 of the Ohio Revised Code by the adoption of a resolution, a board may direct the school district treasurer to pay the proceeds of any bequest, gift, or endowment given to the District for the education foundation fund or given without conditions or limitations into the education foundation fund established. The endowment is accounted for as a special revenue fund with 55 percent of interest earned to be used for scholarships and 45 percent to be added to existing principal.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16 - LONG-TERM OBLIGATIONS

The changes in the District's long-term obligations during fiscal year 2021 were as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due In One Year
Governmental activities:					
Series 2014 Refunding Bonds					
Serial Bond - 3.75%	\$ 2,446,000	\$ -	\$ (989,000)	\$ 1,457,000	\$ 1,026,000
Series 2012 & 2013 Refunding Bonds					
Serial Bond - 1.00% - 3.50%	1,235,000	-	-	1,235,000	-
Capital Appreciation Bonds	6,842	-	(1,894)	4,948	1,109
School Improvement Bonds - Series 2017	10,580,000	-	(10,410,000)	170,000	75,000
Series 2019 Refunding Bonds	12,450,000	-	-	12,450,000	-
Series 2020 Refunding Bonds					
Serial	-	10,280,000	-	10,280,000	130,000
Capital Appreciation Bonds	-	60,000	-	60,000	-
Total Bonds Payable before Deferrals	<u>26,717,842</u>	<u>10,340,000</u>	<u>(11,400,894)</u>	<u>25,656,948</u>	<u>1,232,109</u>
Deferrals for:					
Issuance Premiums	<u>2,813,069</u>	<u>1,119,333</u>	<u>(700,614)</u>	<u>3,231,788</u>	<u>-</u>
Total Bonds Payable	<u>29,530,911</u>	<u>11,459,333</u>	<u>(12,101,508)</u>	<u>28,888,736</u>	<u>1,232,109</u>
Certificates of Participation - Series 2016	9,255,000	-	(210,000)	9,045,000	215,000
Certificates of Participation - Series 2017	13,240,000	-	(295,000)	12,945,000	305,000
Accretion of Capital Appreciation Bonds	371,040	223,278	(128,106)	466,212	99,747
Net pension liability	25,349,892	2,374,241	-	27,724,133	-
Net OPEB liability	2,114,082	-	(267,375)	1,846,707	-
Capital Lease Obligation	-	2,058,975	-	2,058,975	514,744
Compensated Absences	<u>1,740,713</u>	<u>155,337</u>	<u>(87,952)</u>	<u>1,808,098</u>	<u>195,108</u>
Total Governmental Long-Term Obligations	<u>\$ 81,601,638</u>	<u>\$ 16,271,164</u>	<u>\$ (13,089,941)</u>	<u>\$ 84,782,861</u>	<u>\$ 2,561,708</u>
Business-type activities:					
Net pension liability	\$ 1,265,863	\$ 8,012	\$ (94,701)	\$ 1,179,174	\$ -
Net OPEB liability	517,861	-	(151,093)	366,768	-
Compensated Absences	<u>97,918</u>	<u>39,018</u>	<u>(10,096)</u>	<u>126,840</u>	<u>14,279</u>
Total Business-Type Long-Term obligations	<u>\$ 1,881,642</u>	<u>\$ 47,030</u>	<u>\$ (255,890)</u>	<u>\$ 1,672,782</u>	<u>\$ 14,279</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

Compensated absences, net pension liabilities and net OPEB liabilities will be paid from the general fund and termination benefits fund which is combined and reported with the general fund on a GAAP-basis.

All bonds outstanding are general obligation bonds of the District to which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to the general obligation bonds are recorded as expenditures in the bond retirement fund.

All certificates of participation outstanding are obligations of the District to which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to the certificates of participation are recorded as expenditures in the permanent improvement fund.

Series 2012 and Series 2013 Refunding General Obligation Bonds

On July 18, 2012 and January 3, 2013, the District issued a total of \$16,539,980 of general obligation bonds (Series 2012 and Series 2013 Refunding Bonds) to advance refund the callable of the Series 2005 School Improvement current interest bonds (both term and serial bonds). This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. There is no remaining defeased debt outstanding. During fiscal year 2020, \$12,450,000 of the bonds were refunded by the Series 2019 Refunding Bonds.

The original refunding issue is comprised of both current interest bonds, par value \$16,420,000, and capital appreciation bonds par value \$119,980. The interest rates on the current interest bonds range from 1.00% to 3.50%. The capital appreciation bonds mature on December 1 of each year 2013 through 2022 and on December 1, 2029 (coupon rates ranging from 1.047% to 2.40% and effective interest rates ranging from 61.3% to 78.6%) at redemption prices equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the remaining capital appreciation bonds is \$3,100,000. Total accreted interest of \$456,637 has been included in the statement of net position at June 30, 2021.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue for the remaining bonds after the refunding is December 1, 2023.

The reacquisition price exceeded the net carrying amount of the old debt by \$2,043,176. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2014 Refunding General Obligation Bonds

On October 16, 2013, the District issued \$6,901,000 of general obligation bonds to advance refund a portion of the Series 2005 School Improvement current interest bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded current interest bonds at June 30, 2021, is \$1,457,000.

The refunding issue is comprised of current interest bonds, par value \$6,901,000. The interest rates on the bonds is 3.75%.

Interest payments on the current interest bonds are due on June 1, and December 1, of each year. The final maturity stated in the issue is December 1, 2022.

The reacquisition price exceeded the net carrying amount of the old debt by \$377,438. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

Series 2017 School Improvement Bonds

On April 12, 2017 the District issued \$10,750,000 of school improvement bonds for the purpose of renovating, remodeling, furnishing, equipping and improving the District's buildings and facilities. The interest rate on the current interest bonds ranges from 3.00-5.00%. Interest payments on the current interest bonds are due on December 1st and June 1st of each year. During fiscal year 2021, \$10,410,000 in bonds were refunded by the Series 2020 refunding bonds. The final maturity on the remaining bonds outstanding is December 1, 2022.

Series 2019 Refunding General Obligation Bonds

On December 5, 2019, the District issued a total of \$12,450,000 of general obligation bonds (Series 2019 Refunding Bonds) to advance refund \$14,595,000 of the callable of the Series 2012 and Series 2013 Refunding General Obligation Bonds (both term and serial bonds). This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. At June 30, 2021, the balance of the refunded bonds outstanding was \$14,595,000.

The original refunding issue is comprised of current interest bonds, par value \$12,450,000. The interest rates on the current interest bonds range from 3.00% to 4.00%. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue for the remaining bonds after the refunding is December 1, 2033.

The reacquisition price exceeded the net carrying amount of the old debt by \$123,984. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This advance refunding was undertaken to reduce the combined total debt service payments by \$1,125,166 and resulted in an economic gain of \$633,602.

Series 2020 Refunding General Obligation Bonds

On November 10, 2020, the District issued a total of \$10,340,000 of general obligation bonds (Series 2020 Refunding Bonds) to advance refund \$10,410,000 of the callable of the Series 2017 General Obligation Bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. At June 30, 2021, the balance of the refunded bonds outstanding was \$10,340,000.

The original refunding issue is comprised of both current interest bonds, par value \$10,280,000 and capital appreciation bonds, par value of \$60,000. The interest rates on the current interest bonds range from 0.364% to 3.105%. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue for the remaining bonds after the refunding is December 1, 2051.

The capital appreciation bonds mature December 1, 2047 through December 1, 2051 (approximate equivalent interest rates ranging from 14.157% to 16.128%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds maturing December 1, 2047 through December 1, 2051 are \$665,000; \$690,000; \$680,000; \$720,000; and \$690,000. Total accreted interest of \$9,575 has been included on the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$986,483. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This advance refunding was undertaken to reduce the combined total debt service payments by \$1,627,501 and resulted in an economic gain of \$1,128,385.

Series 2016 Certificates of Participation

On December 8, 2016, the District issued certificates of participation in the amount of \$9,860,000 for the purpose of construction, enlarging and other improvement, furnishing and equipping of the Districts buildings and facilities. Interest rates on the current interest bonds range from 2.5% to 4.0% with interest payments due on May 15 and November 15 of each year until final maturity at November 15, 2046. The debt will be retired through the permanent improvement fund (a nonmajor governmental fund).

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

Series 2017 Certificates of Participation

On April 12, 2017, the District issued certificates of participation in the amount of \$14,305,000 for the purpose of construction, enlarging and other improvement, furnishing and equipping of the Districts buildings and facilities. Interest rates on the current interest bonds range from 2.0% to 4.0% with interest payments due on May 15 and November 15 of each year until final maturity at November 15, 2046. The debt will be retired through the permanent improvement fund (a nonmajor governmental fund).

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2021 are as follows:

Fiscal Year Ending,	<u>Serial and Term Bonds</u>		<u>Capital Appreciation Bonds</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,231,000	\$ 825,401	\$ 1,109	\$ 128,891	\$ 1,232,109	\$ 954,292
2023	671,000	783,779	3,825	761,175	674,825	1,544,954
2024	1,475,000	752,721	-	-	1,475,000	752,721
2025	1,400,000	721,205	-	-	1,400,000	721,205
2026	1,450,000	677,871	-	-	1,450,000	677,871
2027-2031	6,790,000	2,644,989	14	1,354,986	6,790,014	3,999,975
2032-2036	6,650,000	1,306,734	-	-	6,650,000	1,306,734
2037-2041	2,320,000	736,491	-	-	2,320,000	736,491
2042-2046	2,925,000	340,539	-	-	2,925,000	340,539
2047-2051	680,000	10,557	50,000	2,745,000	730,000	2,755,557
2052	-	-	10,000	690,000	10,000	690,000
Total	<u>\$ 25,592,000</u>	<u>\$ 8,800,287</u>	<u>\$ 64,948</u>	<u>\$ 5,680,052</u>	<u>\$ 25,656,948</u>	<u>\$ 14,480,339</u>

Principal and interest requirements to retire certificates of participation outstanding at June 30, 2021 are as follows:

Fiscal Year Ending,	<u>Certificates of Participation</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$ 520,000	\$ 824,162	\$ 1,344,162
2023	540,000	804,488	1,344,488
2024	565,000	784,150	1,349,150
2025	580,000	764,812	1,344,812
2026	600,000	744,544	1,344,544
2027 - 2031	3,335,000	3,392,856	6,727,856
2032 - 2036	3,970,000	2,732,065	6,702,065
2037 - 2041	4,785,000	1,893,685	6,678,685
2042 - 2046	5,795,000	856,950	6,651,950
2047	1,300,000	26,000	1,326,000
Total	<u>\$ 21,990,000</u>	<u>\$ 12,823,712</u>	<u>\$ 34,813,712</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2021, are a voted debt margin of \$14,267,819 (including available funds of \$3,296,398) and an unvoted debt margin of \$406,982.

The Ohio Revised Code further provides that when a Board of Education declares a resolution that the student population is not adequately served by existing facilities, and that insufficient capacity exists within the 9% limit to finance additional facilities, the State Department of Education may declare that district a "special needs" district. This permits the incurrence of additional debt based upon projected 5-year growth of the District's assessed valuation. The District was determined to be a "special needs" district by the State Superintendent.

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis); and
- (f) Investments are reported at fair value (GAAP basis) as opposed to cost basis (budget basis).

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance

	<u>General Fund</u>
Budget basis	\$ 752,794
Net adjustment for revenue accruals	857,303
Net adjustment for expenditure accruals	(125,236)
Net adjustment for other sources/uses	(107,037)
Funds budgeted elsewhere	17,802
Adjustment for encumbrances	518,252
GAAP basis	\$ 1,913,878

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. These include the special trusts fund, the public school support fund, the summer school fund and the termination benefits fund.

NOTE 18 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-aside balance June 30, 2020	\$ -
Current year set-aside requirement	295,711
Current year offsets	(2,104,053)
Total	\$ (1,808,342)
Balance carried forward to fiscal year 2022	\$ -
Set-aside balance June 30, 2021	\$ -

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 19 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS

Cuyahoga County entered into property tax abatement agreements with local businesses under Enterprise Zone tax abatement agreements. Enterprise zones are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investment. The Enterprise Zone Program provides tax exemptions for a portion of the value of new real property when the investment is made in conjunction with a project that includes job creation or job retention. These tax abatements reduce assessed value by a percentage agreed upon by all parties that authorize these types of agreements. The agreements affect the property tax receipts collected and distributed to the District. Under the agreements, the District's property taxes were reduced by \$656,478 during fiscal year 2021.

NOTE 20 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The District's investment portfolio and the pension and other employee benefits plan in which the District participate fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 21 - SUBSEQUENT EVENTS

A. General Obligation School Improvement Refunding Bonds

On July 20, 2021, the District issued a total of \$1,235,000 in General Obligation School Improvement Refunding Bonds, Series 2021 to partially refund the School Improvement Bonds - Series 2013. The issue is comprised of current interest bonds of \$1,235,000. The bonds carry interest rates ranging from 1.00%-2.00% and have a final maturity date of December 1, 2023.

B. Funding

For fiscal year 2022, District foundation funding received from the State of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school, scholarship, and open enrollment funding will be directly funded by the State of Ohio to the respective educating schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the District were funded to the District who, in turn, made the payment to the educating school. For fiscal year 2021, the District reported \$635,285 in revenues and expenditures/expenses related to these programs. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each District. The District's state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST EIGHT FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.10057310%	0.10167270%	0.10322320%	0.10406340%
District's proportionate share of the net pension liability	\$ 6,652,117	\$ 6,083,256	\$ 5,911,784	\$ 6,217,558
District's covered payroll	\$ 3,526,250	\$ 3,629,207	\$ 3,396,681	\$ 3,364,179
District's proportionate share of the net pension liability as a percentage of its covered payroll	188.65%	167.62%	174.05%	184.82%
Plan fiduciary net position as a percentage of the total pension liability	68.55%	70.85%	71.36%	69.50%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.11184880%	0.11351640%	0.11098200%	0.11098200%
\$ 8,186,300	\$ 6,477,356	\$ 5,616,735	\$ 6,599,743
\$ 3,512,779	\$ 3,417,436	\$ 3,224,928	\$ 3,193,569
233.04%	189.54%	174.17%	206.66%
62.98%	69.16%	71.70%	65.52%

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST EIGHT FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.09196059%	0.09284674%	0.09844602%	0.09932639%
District's proportionate share of the net pension liability	\$ 22,251,190	\$ 20,532,499	\$ 21,646,069	\$ 23,595,197
District's covered payroll	\$ 11,099,336	\$ 11,324,336	\$ 11,107,900	\$ 10,853,257
District's proportionate share of the net pension liability as a percentage of its covered payroll	200.47%	181.31%	194.87%	217.40%
Plan fiduciary net position as a percentage of the total pension liability	75.48%	77.40%	77.31%	75.30%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.09236642%	0.08757921%	0.08488430%	0.08488430%
\$ 30,917,825	\$ 24,204,332	\$ 20,646,802	\$ 24,594,335
\$ 9,836,300	\$ 9,355,379	\$ 8,672,831	\$ 9,349,892
314.32%	258.72%	238.06%	263.04%
66.80%	72.10%	74.70%	69.30%

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 456,065	\$ 493,675	\$ 489,943	\$ 458,552
Contributions in relation to the contractually required contribution	<u>(456,065)</u>	<u>(493,675)</u>	<u>(489,943)</u>	<u>(458,552)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 3,257,607	\$ 3,526,250	\$ 3,629,207	\$ 3,396,681
Contributions as a percentage of covered payroll	14.00%	14.00%	13.50%	13.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 470,985	\$ 491,789	\$ 450,418	\$ 446,975	\$ 441,990	\$ 455,533
<u>(470,985)</u>	<u>(491,789)</u>	<u>(450,418)</u>	<u>(446,975)</u>	<u>(441,990)</u>	<u>(455,533)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,364,179	\$ 3,512,779	\$ 3,417,436	\$ 3,224,928	\$ 3,193,569	\$ 3,386,862
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 1,504,356	\$ 1,553,907	\$ 1,585,407	\$ 1,555,106
Contributions in relation to the contractually required contribution	<u>(1,504,356)</u>	<u>(1,553,907)</u>	<u>(1,585,407)</u>	<u>(1,555,106)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 10,745,400	\$ 11,099,336	\$ 11,324,336	\$ 11,107,900
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 1,519,456	\$ 1,377,082	\$ 1,309,753	\$ 1,127,468	\$ 1,215,486	\$ 1,222,636
<u>(1,519,456)</u>	<u>(1,377,082)</u>	<u>(1,309,753)</u>	<u>(1,127,468)</u>	<u>(1,215,486)</u>	<u>(1,222,636)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,853,257	\$ 9,836,300	\$ 9,355,379	\$ 8,672,831	\$ 9,349,892	\$ 9,404,892
14.00%	14.00%	14.00%	13.00%	13.00%	13.00%

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.10184730%	0.10465860%	0.10499900%	0.10523710%	0.11313716%
District's proportionate share of the net OPEB liability	\$ 2,213,475	\$ 2,631,944	\$ 2,912,956	\$ 2,824,287	\$ 3,224,828
District's covered payroll	\$ 3,526,250	\$ 3,629,207	\$ 3,396,681	\$ 3,364,179	\$ 3,512,779
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	62.77%	72.52%	85.76%	83.95%	91.80%
Plan fiduciary net position as a percentage of the total OPEB liability	18.17%	15.57%	13.57%	12.46%	11.49%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/ASSET
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability/asset	0.09196059%	0.09284674%	0.098444602%	0.09932639%	0.09236642%
District's proportionate share of the net OPEB liability/(asset)	\$ (1,616,207)	\$ (1,537,765)	\$ (1,581,927)	\$ 3,875,350	\$ 4,939,780
District's covered payroll	\$ 11,099,336	\$ 11,324,336	\$ 11,107,900	\$ 10,853,257	\$ 9,836,300
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	14.56%	13.58%	14.24%	35.71%	50.22%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	182.10%	174.70%	176.00%	47.10%	37.30%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 63,949	\$ 53,522	\$ 84,201	\$ 74,947
Contributions in relation to the contractually required contribution	<u>(63,949)</u>	<u>(53,522)</u>	<u>(84,201)</u>	<u>(74,947)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 3,257,607	\$ 3,526,250	\$ 3,629,207	\$ 3,396,681
Contributions as a percentage of covered payroll	1.96%	1.52%	2.32%	2.21%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 55,678	\$ 56,350	\$ 82,508	\$ 58,268	\$ 54,803	\$ 80,392
<u>(55,678)</u>	<u>(56,350)</u>	<u>(82,508)</u>	<u>(58,268)</u>	<u>(54,803)</u>	<u>(80,392)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,364,179	\$ 3,512,779	\$ 3,417,436	\$ 3,224,928	\$ 3,193,569	\$ 3,386,862
1.66%	1.60%	2.41%	1.81%	1.72%	2.37%

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 10,745,400	\$ 11,099,336	\$ 11,324,336	\$ 11,107,900
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ -	\$ -	\$ -	\$ 88,732	\$ 93,499	\$ 94,049
-	-	-	(88,732)	(93,499)	(94,049)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,853,257	\$ 9,836,300	\$ 9,355,379	\$ 8,672,831	\$ 9,349,892	\$ 9,404,892
0.00%	0.00%	0.00%	1.00%	1.00%	1.00%

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%. There were no changes in benefit terms from the amounts previously reported for fiscal years 2019-2021.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2018-2021.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero. There were no changes in benefit terms from amounts previously reported for fiscal years 2019-2021.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2019-2021.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal years 2017-2021.

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%. For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%. For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal year 2017. For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. For fiscal year 2020, STRS increased the subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021. For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate. For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate. For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

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FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO

DESCRIPTION OF FUNDS

General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Other Major Funds

Bond Retirement Fund - The bond retirement fund is used to account for the resources restricted for payment of general long-term debt principal, interest and related costs.

Permanent Improvement Fund - This fund accounts for all transactions related to the acquiring, constructing, or improving of facilities.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget</u>
	<u>Final</u>	<u>Actual</u>	
<u>Bond Retirement Fund</u>			
Total revenues and other financing sources	\$ 2,442,619	\$ 2,450,540	\$ 7,921
Total expenditures and other financing uses	<u>2,400,000</u>	<u>2,374,159</u>	<u>25,841</u>
Net change in fund balance	42,619	76,381	33,762
Fund balance at beginning of year	<u>3,020,890</u>	<u>3,020,890</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,063,509</u>	<u>\$ 3,097,271</u>	<u>\$ 33,762</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<u>Permanent Improvement Fund</u>			
Total revenues and other financing sources	\$ 2,500,000	\$ 2,159,712	\$ (340,288)
Total expenditures and other financing uses	<u>2,412,711</u>	<u>1,743,281</u>	<u>669,430</u>
Net change in fund balance	87,289	416,431	329,142
Fund balance at beginning of year	10,497	10,497	-
Prior year encumbrances appropriated	<u>12,711</u>	<u>12,711</u>	<u>-</u>
Fund balance at end of year	<u>\$ 110,497</u>	<u>\$ 439,639</u>	<u>\$ 329,142</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DESCRIPTION OF FUNDS

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for and report specific revenue sources that are restricted or committed to an expenditure for a specific purpose. Following is a description of the District's nonmajor special revenue funds:

Endowment Fund - This fund is used to account for monies under which principal and income benefit individuals, private organizations, or other governments.

Other Grants Fund - This fund is used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Student Managed Activity Fund - This fund is used to account for those student activity programs which has student participation in an activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer and faculty advisor.

District Managed Student Activity Fund - This fund is used to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps and other similar types of activities.

Auxiliary Services Fund - This fund accounts for monies which provide services and materials to pupils attending non-public schools within the District.

Data Communication Fund - This fund accounts for money appropriated for Ohio Educational Computer Network Connections.

Student Wellness & Success Fund - This fund is used to account for state grants that are restricted for student health and wellness activities.

Miscellaneous State Grants Fund - This fund accounts for various monies received from state agencies which are not classified elsewhere but are restricted for a specific purpose.

Elementary and Secondary School Emergency Relief (ESSER) Fund - This fund accounts for grants received from the federal government to provide emergency relief to school districts related to the COVID-19 pandemic.

Coronavirus Relief (CR) Fund - This fund accounts for grants received from the federal government to provide emergency relief to school districts related to the COVID-19 pandemic.

IDEA, Part B Special Education Fund - The purpose of this federal program is to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool elementary and secondary levels.

Title I Fund - The purpose of this federal program is to provide financial assistance to state and local education agencies to meet the special needs of educationally deprived children.

Early Childhood Education Development Fund - This fund accounts for federal monies which partially support the preschool program focusing on the early education of handicapped children.

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DESCRIPTION OF FUNDS

Nonmajor Special Revenue Funds

(Continued)

Supporting Effective Instruction Fund - This fund provides for improved instruction through better use of technology.

Miscellaneous Federal Grants Fund - This fund accounts for monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere but are restricted for a specific purpose.

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

Special Trusts Fund - This fund is used to account for assets held by the school district for various activities of the District which there are no external restrictions on the use of resources and for which the Board of Education has not placed any constraints on the use of the resources.

Public School Support Fund - This fund is used for the general support of the school building, staff and students.

Summer School Fund - This fund is used to account for operations of the District's summer school program.

SERS Employer Fund - This fund is used to account for amounts collected and distributed for the District's SERS Surcharge.

Termination Benefits Fund - This fund is used to accumulate cash for paying termination benefits or for paying salaries when the number of pay periods exceeds the usual and customary for a year.

Workers Compensation Fund - This fund is used to account for workers compensation self-insurance revenues and expenditures.

Nonmajor Capital Projects Fund

Building Fund - The building fund is used to account for and report resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund - Building	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and cash equivalents	\$ 4,346,220	\$ 48,000	\$ 4,394,220
Receivables:			
Accounts	476	-	476
Accrued interest	9,946	-	9,946
Intergovernmental	147,786	-	147,786
Total assets	<u>\$ 4,504,428</u>	<u>\$ 48,000</u>	<u>\$ 4,552,428</u>
Liabilities:			
Accounts payable	\$ 67,564	\$ -	\$ 67,564
Accrued wages and benefits payable	90,878	-	90,878
Intergovernmental payable	1,255	-	1,255
Pension and postemployment benefits payable	12,713	-	12,713
Interfund loans payable	160,087	-	160,087
Total liabilities	<u>332,497</u>	<u>-</u>	<u>332,497</u>
Deferred inflows of resources:			
Intergovernmental revenue not available	147,102	-	147,102
Accrued interest not available	6,649	-	6,649
Total deferred inflows of resources	<u>153,751</u>	<u>-</u>	<u>153,751</u>
Fund Balances:			
Nonspendable:			
Scholarships	3,849,389	-	3,849,389
Restricted:			
Capital projects	-	48,000	48,000
Non-public schools	50,057	-	50,057
State funded programs	240,531	-	240,531
Federally funded programs	578	-	578
Extracurricular programs	53,757	-	53,757
Other purposes	5,060	-	5,060
Unassigned (deficit)	(181,192)	-	(181,192)
Total fund balances	<u>4,018,180</u>	<u>48,000</u>	<u>4,066,180</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,504,428</u>	<u>\$ 48,000</u>	<u>\$ 4,552,428</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund - Building	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 1,911,299	\$ -	\$ 1,911,299
Investment earnings	47,090	9,650	56,740
Extracurricular	116,715	-	116,715
Contributions and donations	1,000	-	1,000
Miscellaneous	94,616	-	94,616
Change in fair value of investments	(47,585)	-	(47,585)
Total revenues	2,123,135	9,650	2,132,785
Expenditures:			
Current:			
Instruction:			
Regular	182,905	-	182,905
Special	588,070	-	588,070
Vocational	43	-	43
Support services:			
Pupil	293,079	-	293,079
Instructional staff	97,736	-	97,736
Board of education	1,194	-	1,194
Fiscal	382	-	382
Business	6,758	-	6,758
Operations and maintenance	61,228	-	61,228
Pupil transportation	24,203	-	24,203
Central	9,029	-	9,029
Operation of non-instructional services:			
Other non-instructional services	537,712	-	537,712
Extracurricular activities	149,220	-	149,220
Facilities acquisition and construction	806	297,538	298,344
Total expenditures	1,952,365	297,538	2,249,903
Excess (deficiency) of revenues over (under) expenditures	170,770	(287,888)	(117,118)
Other financing sources:			
Transfers in	42,850	-	42,850
Total other financing sources	42,850	-	42,850
Net change in fund balances	213,620	(287,888)	(74,268)
Fund balances at beginning of year	3,804,560	335,888	4,140,448
Fund balances at end of year	\$ 4,018,180	\$ 48,000	\$ 4,066,180

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Endowment</u>	<u>Other Grants</u>	<u>Student Managed Activity</u>	<u>District Managed Student Activity</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 3,846,092	\$ 5,060	\$ 47,517	\$ 21,432
Receivables:				
Accounts	-	-	-	476
Accrued Interest	9,946	-	-	-
Intergovernmental	-	-	-	-
Total assets	<u>\$ 3,856,038</u>	<u>\$ 5,060</u>	<u>\$ 47,517</u>	<u>\$ 21,908</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 668
Accrued wages and benefits payable	-	-	-	-
Intergovernmental payable	-	-	-	-
Pension and postemployment benefits payable	-	-	-	-
Interfund loans payable	-	-	-	15,000
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,668</u>
Deferred inflows of resources:				
Intergovernmental revenue not available	-	-	-	-
Accrued interest not available	6,649	-	-	-
Total deferred inflows of resources	<u>6,649</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Scholarships	3,849,389	-	-	-
Restricted:				
Non-public schools	-	-	-	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	-
Extracurricular programs	-	-	47,517	6,240
Other purposes	-	5,060	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>3,849,389</u>	<u>5,060</u>	<u>47,517</u>	<u>6,240</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 3,856,038</u>	<u>\$ 5,060</u>	<u>\$ 47,517</u>	<u>\$ 21,908</u>

<u>Auxiliary Services</u>	<u>Student Wellness & Success</u>	<u>Miscellaneous State Grants</u>	<u>ESSER</u>	<u>Coronavirus Relief</u>	<u>IDEA, Part B Special Education</u>
\$ 103,795	\$ 238,774	\$ 2,510	\$ 57,319	\$ 407	\$ 14,865
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	23,244	684	69,111
<u>\$ 103,795</u>	<u>\$ 238,774</u>	<u>\$ 2,510</u>	<u>\$ 80,563</u>	<u>\$ 1,091</u>	<u>\$ 83,976</u>
\$ 41,887	\$ -	\$ 753	\$ 15,345	\$ 407	\$ 6,906
9,774	-	-	6,842	-	47,021
139	-	-	99	-	664
1,938	-	-	958	-	6,412
-	-	-	57,319	106	64,247
<u>53,738</u>	<u>-</u>	<u>753</u>	<u>80,563</u>	<u>513</u>	<u>125,250</u>
-	-	-	23,244	-	69,111
-	-	-	-	-	-
-	-	-	23,244	-	69,111
-	-	-	-	-	-
50,057	-	-	-	-	-
-	238,774	1,757	-	-	-
-	-	-	-	578	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(23,244)	-	(110,385)
<u>50,057</u>	<u>238,774</u>	<u>1,757</u>	<u>(23,244)</u>	<u>578</u>	<u>(110,385)</u>
<u>\$ 103,795</u>	<u>\$ 238,774</u>	<u>\$ 2,510</u>	<u>\$ 80,563</u>	<u>\$ 1,091</u>	<u>\$ 83,976</u>

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2021

	<u>Title I</u>	<u>Supporting Effective Instruction</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 968	\$ 6,629	\$ 852	\$ 4,346,220
Receivables:				
Accounts	-	-	-	476
Accrued Interest	-	-	-	9,946
Intergovernmental	43,453	8,763	2,531	147,786
Total assets	<u>\$ 44,421</u>	<u>\$ 15,392</u>	<u>\$ 3,383</u>	<u>\$ 4,504,428</u>
Liabilities:				
Accounts payable	\$ -	\$ 1,598	\$ -	\$ 67,564
Accrued wages and benefits payable	27,241	-	-	90,878
Intergovernmental payable	353	-	-	1,255
Pension and postemployment benefits payable	3,405	-	-	12,713
Interfund loans payable	8,948	11,096	3,371	160,087
Total liabilities	<u>39,947</u>	<u>12,694</u>	<u>3,371</u>	<u>332,497</u>
Deferred inflows of resources:				
Intergovernmental revenue not available	43,453	8,763	2,531	147,102
Accrued interest not available	-	-	-	6,649
Total deferred inflows of resources	<u>43,453</u>	<u>8,763</u>	<u>2,531</u>	<u>153,751</u>
Fund Balances:				
Nonspendable:				
Scholarships	-	-	-	3,849,389
Restricted:				
Non-public schools	-	-	-	50,057
State funded programs	-	-	-	240,531
Federally funded programs	-	-	-	578
Extracurricular programs	-	-	-	53,757
Other purposes	-	-	-	5,060
Unassigned (deficit)	(38,979)	(6,065)	(2,519)	(181,192)
Total fund balances	<u>(38,979)</u>	<u>(6,065)</u>	<u>(2,519)</u>	<u>4,018,180</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 44,421</u>	<u>\$ 15,392</u>	<u>\$ 3,383</u>	<u>\$ 4,504,428</u>

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Endowment</u>	<u>Other Grants</u>	<u>Student Managed Activity</u>	<u>District Managed Student Activity</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment earnings	45,779	-	-	-
Extracurricular	-	-	36,851	79,664
Contributions and donations	-	-	1,000	-
Miscellaneous	61,300	27,785	-	5,531
Change in fair value of investments	(47,585)	-	-	-
Total revenues	<u>59,494</u>	<u>27,785</u>	<u>37,851</u>	<u>85,195</u>
Expenditures:				
Current:				
Instruction:				
Regular	54,629	23,497	-	-
Special	-	-	-	-
Vocational	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff	-	-	-	-
Board of education	-	-	-	-
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Other non-instructional services	-	-	-	861
Extracurricular activities	-	-	35,751	113,469
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>54,629</u>	<u>23,497</u>	<u>35,751</u>	<u>114,330</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,865</u>	<u>4,288</u>	<u>2,100</u>	<u>(29,135)</u>
Other financing sources:				
Transfers in	-	-	-	40,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Net change in fund balances	4,865	4,288	2,100	10,865
Fund balances (deficit) at beginning of year	<u>3,844,524</u>	<u>772</u>	<u>45,417</u>	<u>(4,625)</u>
Fund balances (deficit) at end of year	<u>\$ 3,849,389</u>	<u>\$ 5,060</u>	<u>\$ 47,517</u>	<u>\$ 6,240</u>

Auxiliary Services	Data Communication	Student Wellness & Success	Miscellaneous State Grants	ESSER	Coronavirus Relief
\$ 461,845	\$ 5,400	\$ 298,436	\$ 40,070	\$ 80,859	\$ 87,699
1,311	-	-	-	-	-
-	-	200	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>463,156</u>	<u>5,400</u>	<u>298,636</u>	<u>40,070</u>	<u>80,859</u>	<u>87,699</u>
-	-	-	-	36,608	14,245
-	-	-	-	1,141	1,790
-	-	-	43	-	-
-	-	192,378	-	-	1,084
-	5,400	-	-	45,533	-
-	-	-	-	-	1,194
-	-	-	-	382	-
-	-	-	-	-	6,758
-	-	-	6,610	2,210	52,408
-	-	-	24,068	-	135
-	-	-	-	6,568	2,461
469,992	-	-	-	5,757	7,046
-	-	-	-	-	-
-	-	-	-	806	-
<u>469,992</u>	<u>5,400</u>	<u>192,378</u>	<u>30,721</u>	<u>99,005</u>	<u>87,121</u>
<u>(6,836)</u>	<u>-</u>	<u>106,258</u>	<u>9,349</u>	<u>(18,146)</u>	<u>578</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>(6,836)</u>	<u>-</u>	<u>106,258</u>	<u>9,349</u>	<u>(18,146)</u>	<u>578</u>
<u>56,893</u>	<u>-</u>	<u>132,516</u>	<u>(7,592)</u>	<u>(5,098)</u>	<u>-</u>
<u>\$ 50,057</u>	<u>\$ -</u>	<u>\$ 238,774</u>	<u>\$ 1,757</u>	<u>\$ (23,244)</u>	<u>\$ 578</u>

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	IDEA, Part B Special Education	Title I	Early Childhood Education Development	Supporting Effective Instruction
Revenues:				
Intergovernmental	\$ 536,911	\$ 273,328	\$ 8,706	\$ 97,507
Investment earnings	-	-	-	-
Extracurricular	-	-	-	-
Contributions and donations	-	-	-	-
Miscellaneous	-	-	-	-
Change in fair value of investments	-	-	-	-
Total revenues	<u>536,911</u>	<u>273,328</u>	<u>8,706</u>	<u>97,507</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	40,034
Special	318,286	257,145	8,706	1,002
Vocational	-	-	-	-
Support services:				
Pupil	99,617	-	-	-
Instructional staff	12,424	298	-	31,093
Board of education	-	-	-	-
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Other non-instructional services	26,855	11,699	-	11,495
Extracurricular activities	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>457,182</u>	<u>269,142</u>	<u>8,706</u>	<u>83,624</u>
Excess (deficiency) of revenues over (under) expenditures	<u>79,729</u>	<u>4,186</u>	<u>-</u>	<u>13,883</u>
Other financing sources:				
Transfers in	-	-	-	2,850
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,850</u>
Net change in fund balances	79,729	4,186	-	16,733
Fund balances (deficit) at beginning of year	<u>(190,114)</u>	<u>(43,165)</u>	<u>-</u>	<u>(22,798)</u>
Fund balances (deficit) at end of year	<u>\$ (110,385)</u>	<u>\$ (38,979)</u>	<u>\$ -</u>	<u>\$ (6,065)</u>

<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 20,538	\$ 1,911,299
-	47,090
-	116,715
-	1,000
-	94,616
-	(47,585)
<u>20,538</u>	<u>2,123,135</u>
13,892	182,905
-	588,070
-	43
-	293,079
2,988	97,736
-	1,194
-	382
-	6,758
-	61,228
-	24,203
-	9,029
4,007	537,712
-	149,220
-	806
<u>20,887</u>	<u>1,952,365</u>
<u>(349)</u>	<u>170,770</u>
-	42,850
-	42,850
(349)	213,620
<u>(2,170)</u>	<u>3,804,560</u>
<u>\$ (2,519)</u>	<u>\$ 4,018,180</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<u>Endowment Fund</u>			
Total revenues and other financing sources	\$ 90,000	\$ 106,494	\$ 16,494
Total expenditures and other financing uses	<u>178,300</u>	<u>171,685</u>	<u>6,615</u>
Net change in fund balance	(88,300)	(65,191)	23,109
Fund balance at beginning of year	3,658,762	3,658,762	-
Prior year encumbrances appropriated	<u>78,300</u>	<u>78,300</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,648,762</u>	<u>\$ 3,671,871</u>	<u>\$ 23,109</u>
<u>Other Grants Fund</u>			
Total revenues and other financing sources	\$ 23,497	\$ 27,785	\$ 4,288
Total expenditures and other financing uses	<u>23,497</u>	<u>23,497</u>	<u>-</u>
Net change in fund balance	-	4,288	4,288
Fund balance at beginning of year	<u>772</u>	<u>772</u>	<u>-</u>
Fund balance at end of year	<u>\$ 772</u>	<u>\$ 5,060</u>	<u>\$ 4,288</u>
<u>Student Managed Activity Fund</u>			
Total revenues and other financing sources	\$ 50,000	\$ 37,851	\$ (12,149)
Total expenditures and other financing uses	<u>45,609</u>	<u>39,101</u>	<u>6,508</u>
Net change in fund balance	4,391	(1,250)	(5,641)
Fund balance at beginning of year	44,203	44,203	-
Prior year encumbrances appropriated	<u>1,214</u>	<u>1,214</u>	<u>-</u>
Fund balance at end of year	<u>\$ 49,808</u>	<u>\$ 44,167</u>	<u>\$ (5,641)</u>
<u>District Managed Student Activity Fund</u>			
Total revenues and other financing sources	\$ 115,000	\$ 124,368	\$ 9,368
Total expenditures and other financing uses	<u>117,871</u>	<u>111,648</u>	<u>6,223</u>
Net change in fund balance	(2,871)	12,720	15,591
Fund balance at beginning of year	4,195	4,195	-
Prior year encumbrances appropriated	<u>2,871</u>	<u>2,871</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,195</u>	<u>\$ 19,786</u>	<u>\$ 15,591</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<u>Auxiliary Services Fund</u>			
Total revenues and other financing sources	\$ 457,980	\$ 500,505	\$ 42,525
Total expenditures and other financing uses	<u>539,239</u>	<u>535,689</u>	<u>3,550</u>
Net change in fund balance	(81,259)	(35,184)	46,075
Fund balance at beginning of year	6,553	6,553	-
Prior year encumbrances appropriated	<u>81,259</u>	<u>81,259</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,553</u>	<u>\$ 52,628</u>	<u>\$ 46,075</u>
<u>Data Communication Fund</u>			
Total revenues and other financing sources	\$ 5,400	\$ 5,400	\$ -
Total expenditures and other financing uses	<u>5,400</u>	<u>5,400</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Student Wellness & Success Fund</u>			
Total revenues and other financing sources	\$ 290,488	\$ 298,636	\$ 8,148
Total expenditures and other financing uses	<u>227,680</u>	<u>209,445</u>	<u>18,235</u>
Net change in fund balance	62,808	89,191	26,383
Fund balance at beginning of year	130,331	130,331	-
Prior year encumbrances appropriated	<u>2,680</u>	<u>2,680</u>	<u>-</u>
Fund balance at end of year	<u>\$ 195,819</u>	<u>\$ 222,202</u>	<u>\$ 26,383</u>
<u>Miscellaneous State Grants Fund</u>			
Total revenues and other financing sources	\$ 40,387	\$ 40,069	\$ (318)
Total expenditures and other financing uses	<u>45,196</u>	<u>45,196</u>	<u>-</u>
Net change in fund balance	(4,809)	(5,127)	(318)
Fund balance at beginning of year	318	318	-
Prior year encumbrances appropriated	<u>4,809</u>	<u>4,809</u>	<u>-</u>
Fund balance at end of year	<u>\$ 318</u>	<u>\$ -</u>	<u>\$ (318)</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<u>ESSER Fund</u>			
Total revenues and other financing sources	\$ 203,067	\$ 138,178	\$ (64,889)
Total expenditures and other financing uses	<u>203,067</u>	<u>143,080</u>	<u>59,987</u>
Net change in fund balance	-	(4,902)	(4,902)
Fund balance at beginning of year	<u>4,902</u>	<u>4,902</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,902</u>	<u>\$ -</u>	<u>\$ (4,902)</u>
<u>Coronavirus Relief Fund</u>			
Total revenues and other financing sources	\$ 87,698	\$ 87,120	\$ (578)
Total expenditures and other financing uses	<u>87,698</u>	<u>87,120</u>	<u>578</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>IDEA, Part B Special Education Fund</u>			
Total revenues and other financing sources	\$ 539,800	\$ 556,923	\$ 17,123
Total expenditures and other financing uses	<u>558,471</u>	<u>544,001</u>	<u>14,470</u>
Net change in fund balance	(18,671)	12,922	31,593
Fund balance (deficit) at beginning of year	(44,515)	(44,515)	-
Prior year encumbrances appropriated	<u>31,593</u>	<u>31,593</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (31,593)</u>	<u>\$ -</u>	<u>\$ 31,593</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with
	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<u>Title I Fund</u>			
Total revenues and other financing sources	\$ 319,901	\$ 282,276	\$ (37,625)
Total expenditures and other financing uses	346,123	284,991	61,132
Net change in fund balance	(26,222)	(2,715)	23,507
Fund balance (deficit) at beginning of year	(23,507)	(23,507)	-
Prior year encumbrances appropriated	26,222	26,222	-
Fund balance (deficit) at end of year	<u>\$ (23,507)</u>	<u>\$ -</u>	<u>\$ 23,507</u>
<u>Early Childhood Education Development Fund</u>			
Total revenues and other financing sources	\$ 8,706	\$ 8,706	\$ -
Total expenditures and other financing uses	8,706	8,706	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Supporting Effective Instruction Fund</u>			
Total revenues and other financing sources	\$ 84,058	\$ 115,990	\$ 31,932
Total expenditures and other financing uses	124,440	124,440	-
Net change in fund balance	(40,382)	(8,450)	31,932
Fund balance (deficit) at beginning of year	(31,932)	(31,932)	-
Prior year encumbrances appropriated	40,382	40,382	-
Fund balance (deficit) at end of year	<u>\$ (31,932)</u>	<u>\$ -</u>	<u>\$ 31,932</u>
<u>Miscellaneous Federal Grants Fund</u>			
Total revenues and other financing sources	\$ 32,691	\$ 33,924	\$ 1,233
Total expenditures and other financing uses	26,517	26,505	12
Net change in fund balance	6,174	7,419	1,245
Fund balance (deficit) at beginning of year	(8,639)	(8,639)	-
Prior year encumbrances appropriated	1,232	1,232	-
Fund balance (deficit) at end of year	<u>\$ (1,233)</u>	<u>\$ 12</u>	<u>\$ 1,245</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<u>Special Trusts Fund</u>			
Total revenues and other financing sources	\$ 2,000	\$ 781	\$ (1,219)
Total expenditures and other financing uses	<u>4,431</u>	<u>1,347</u>	<u>3,084</u>
Net change in fund balance	(2,431)	(566)	1,865
Fund balance at beginning of year	19,176	19,176	-
Prior year encumbrances appropriated	<u>477</u>	<u>477</u>	<u>-</u>
Fund balance at end of year	<u>\$ 17,222</u>	<u>\$ 19,087</u>	<u>\$ 1,865</u>
<u>Public School Support Fund</u>			
Total revenues and other financing sources	\$ 60,000	\$ 44,563	\$ (15,437)
Total expenditures and other financing uses	<u>60,406</u>	<u>16,396</u>	<u>44,010</u>
Net change in fund balance	(406)	28,167	28,573
Fund balance at beginning of year	49,643	49,643	-
Prior year encumbrances appropriated	<u>406</u>	<u>406</u>	<u>-</u>
Fund balance at end of year	<u>\$ 49,643</u>	<u>\$ 78,216</u>	<u>\$ 28,573</u>
<u>Summer School Fund</u>			
Total revenues and other financing sources	\$ 4,174	\$ -	\$ (4,174)
Total expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	4,174	-	(4,174)
Fund balance at beginning of year	<u>4,354</u>	<u>4,354</u>	<u>-</u>
Fund balance at end of year	<u>\$ 8,528</u>	<u>\$ 4,354</u>	<u>\$ (4,174)</u>
<u>SERS Employer Fund</u>			
Total revenues and other financing sources	\$ -	\$ 1	\$ 1
Total expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	1	1
Fund balance (deficit) at beginning of year	<u>(68,103)</u>	<u>(68,103)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (68,103)</u>	<u>\$ (68,102)</u>	<u>\$ 1</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<u>Workers Compensation Fund</u>			
Total revenues and other financing sources	\$ 64,000	\$ 61,811	\$ (2,189)
Total expenditures and other financing uses	<u>60,000</u>	<u>39,978</u>	<u>20,022</u>
Net change in fund balance	4,000	21,833	17,833
Fund balance at beginning of year	<u>301,173</u>	<u>301,173</u>	<u>-</u>
Fund balance at end of year	<u>\$ 305,173</u>	<u>\$ 323,006</u>	<u>\$ 17,833</u>
<u>Termination Benefits Fund</u>			
Total revenues and other financing sources	\$ 200,000	\$ 100,000	\$ (100,000)
Total expenditures and other financing uses	<u>155,000</u>	<u>152,280</u>	<u>2,720</u>
Net change in fund balance	45,000	(52,280)	(97,280)
Fund balance at beginning of year	<u>193,136</u>	<u>193,136</u>	<u>-</u>
Fund balance at end of year	<u>\$ 238,136</u>	<u>\$ 140,856</u>	<u>\$ (97,280)</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<u>Building Fund</u>			
Total revenues and other financing sources	\$ 200	\$ 9,649	\$ 9,449
Total expenditures and other financing uses	<u>1,106,927</u>	<u>1,068,406</u>	<u>38,521</u>
Net change in fund balance	(1,106,727)	(1,058,757)	47,970
Fund balance at beginning of year	30	30	-
Prior year encumbrances appropriated	<u>1,106,727</u>	<u>1,106,727</u>	<u>-</u>
Fund balance at end of year	<u>\$ 30</u>	<u>\$ 48,000</u>	<u>\$ 47,970</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DESCRIPTION OF FUNDS

Enterprise Funds

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector business where the interest is the expense (including depreciation) of providing goods or services primarily or solely to the general public to be financed or recovered primarily through user charges.

Food Services Fund - This fund accounts for the provision of food service to the high school, middle school and elementary school.

Day Care Services Fund - This fund accounts for services provided primarily to the general public for day care services, which are financed or recovered through user charges.

Internal Service Funds

An Internal Service Fund is used to account for the financing of services provided by one department to the other departments of the government or to other districts on a cost reimbursement basis.

Employee Flex Benefits Plan Fund - This fund accounts for a flexible benefits plan offered to District employees.

Health Self Insurance Fund - A fund provided to account for monies received from other funds as payment for providing medical employee benefits.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<u>Food Services Fund</u>			
Total revenues and other financing sources	\$ 475,000	\$ 475,718	\$ 718
Total expenses and other financing uses	<u>430,460</u>	<u>409,542</u>	<u>20,918</u>
Net change in fund equity	44,540	66,176	21,636
Fund equity at beginning of year	54,515	54,515	-
Prior year encumbrances appropriated	<u>5,460</u>	<u>5,460</u>	<u>-</u>
Fund equity at end of year	<u>\$ 104,515</u>	<u>\$ 126,151</u>	<u>\$ 21,636</u>
<u>Day Care Services Fund</u>			
Total revenues and other financing sources	\$ 800,000	\$ 675,562	\$ (124,438)
Total expenses and other financing uses	<u>805,777</u>	<u>717,537</u>	<u>88,240</u>
Net change in fund equity	(5,777)	(41,975)	(36,198)
Fund equity at beginning of year	146,891	146,891	-
Prior year encumbrances appropriated	<u>5,777</u>	<u>5,777</u>	<u>-</u>
Fund equity at end of year	<u>\$ 146,891</u>	<u>\$ 110,693</u>	<u>\$ (36,198)</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021

	<u>Employee Flex Benefits Plan</u>	<u>Health Self Insurance Fund</u>	<u>Total Governmental Activities - Internal Service Funds</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 6,048	\$ 617,994	\$ 624,042
Receivables:			
Accounts	1,717	-	1,717
Total assets	<u>7,765</u>	<u>617,994</u>	<u>625,759</u>
Liabilities:			
Current liabilities:			
Claims payable	-	270,082	270,082
Total liabilities	<u>-</u>	<u>270,082</u>	<u>270,082</u>
Net position:			
Unrestricted	<u>7,765</u>	<u>347,912</u>	<u>355,677</u>
Total net position	<u>\$ 7,765</u>	<u>\$ 347,912</u>	<u>\$ 355,677</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Employee Flex Benefits Plan	Health Self Insurance Fund	Total Governmental Activities - Internal Service Funds
Operating revenues:			
Sales/charges for services	\$ -	\$ 2,733,671	\$ 2,733,671
Other	117,095	-	117,095
Total operating revenues	<u>117,095</u>	<u>2,733,671</u>	<u>2,850,766</u>
Operating expenses:			
Purchased services	120,762	-	120,762
Materials and supplies	-	1,230	1,230
Claims	-	2,787,984	2,787,984
Total operating expenses	<u>120,762</u>	<u>2,789,214</u>	<u>2,909,976</u>
Operating loss/change in net position	<u>(3,667)</u>	<u>(55,543)</u>	<u>(59,210)</u>
Change in net position	(3,667)	(55,543)	(59,210)
Net position at beginning of year	<u>11,432</u>	<u>403,455</u>	<u>414,887</u>
Net position at end of year	<u>\$ 7,765</u>	<u>\$ 347,912</u>	<u>\$ 355,677</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Employee Flex Benefits Plan	Health Self Insurance Fund	Total Governmental Activities - Internal Service Funds
Cash flows from operating activities:			
Cash received from sales/charges for services	\$ -	\$ 2,733,671	\$ 2,733,671
Cash received from other operations	115,378	-	115,378
Cash payments for contractual services	(120,762)	-	(120,762)
Cash payments for materials and supplies	-	(1,230)	(1,230)
Cash payments for claims	-	(2,768,789)	(2,768,789)
Cash payments for other expenses	(405)	-	(405)
Net cash used in operating activities	<u>(5,789)</u>	<u>(36,348)</u>	<u>(42,137)</u>
Net change in cash and cash equivalents	(5,789)	(36,348)	(42,137)
Cash and cash equivalents at beginning of year	11,837	654,342	666,179
Cash and cash equivalents at end of year	<u>\$ 6,048</u>	<u>\$ 617,994</u>	<u>\$ 624,042</u>
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	\$ (3,667)	\$ (55,543)	\$ (59,210)
Changes in assets and liabilities:			
Accounts receivable	(1,717)	-	(1,717)
Intergovernmental payable	(405)	-	(405)
Claims payable	-	19,195	19,195
Net cash used in operating activities	<u>\$ (5,789)</u>	<u>\$ (36,348)</u>	<u>\$ (42,137)</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<u>Employee Flex Benefits Plan Fund</u>			
Total revenues and other financing sources	\$ 140,000	\$ 115,378	\$ (24,622)
Total expenses and other financing uses	<u>140,000</u>	<u>121,167</u>	<u>18,833</u>
Net change in fund equity	-	(5,789)	(5,789)
Fund equity at beginning of year	<u>11,837</u>	<u>11,837</u>	<u>-</u>
Fund equity at end of year	<u>\$ 11,837</u>	<u>\$ 6,048</u>	<u>\$ (5,789)</u>
<u>Health Self Insurance Fund</u>			
Total revenues and other financing sources	\$ 3,300,000	\$ 2,734,021	\$ (565,979)
Total expenses and other financing uses	<u>3,300,000</u>	<u>2,702,265</u>	<u>597,735</u>
Net change in fund balance	-	31,756	31,756
Fund equity at beginning of year (restated)	<u>586,238</u>	<u>586,238</u>	<u>-</u>
Fund equity at end of year	<u>\$ 586,238</u>	<u>\$ 617,994</u>	<u>\$ 31,756</u>

STATISTICAL SECTION



Learning to Believe & Achieve

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATISTICAL SECTION

This part of the Fairview Park City School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	126-139
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	140-144
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	145-149
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	150-151
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	152-159

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019 (4)</u>	<u>2018</u>
Governmental activities				
Net investment in capital assets	\$ 7,648,472	\$ 6,760,491	\$ 6,258,898	\$ 6,120,726
Restricted for:				
Capital projects	48,000	221,548	632,968	14,282
Debt service	2,810,300	2,730,396	3,276,227	3,080,358
Locally funded programs	-	772	740	3,994
State funded programs	246,417	148,991	-	5,929
Federally funded programs	3,288	303,738	10,514	119,775
Extracurricular programs	53,757	45,417	35,499	-
Scholarships	3,856,038	3,853,875	3,682,521	-
Other purposes	19,322	-	-	-
Unrestricted (deficit)	<u>(13,851,194)</u>	<u>(12,257,932)</u>	<u>(6,341,462)</u>	<u>(8,863,434)</u>
Total governmental activities net position	<u>834,400</u>	<u>1,807,296</u>	<u>7,555,905</u>	<u>481,630</u>
Business-type activities				
Net investment in capital assets	13,691	17,123	26,323	37,695
Unrestricted (deficit)	<u>(1,594,610)</u>	<u>(1,625,192)</u>	<u>(1,234,712)</u>	<u>(1,226,051)</u>
Total business-type activities net position	<u>(1,580,919)</u>	<u>(1,608,069)</u>	<u>(1,208,389)</u>	<u>(1,188,356)</u>
Primary government				
Net investment in capital assets	7,662,163	6,777,614	6,285,221	6,158,421
Restricted for:				
Capital projects	48,000	221,548	632,968	14,282
Debt service	2,810,300	2,730,396	3,276,227	3,080,358
Locally funded programs	-	772	740	3,994
State funded programs	246,417	148,991	-	5,929
Federally funded programs	3,288	303,738	10,514	119,775
Student activities	53,757	45,417	35,499	-
Scholarships	3,856,038	3,853,875	3,682,521	-
Unrestricted (deficit)	<u>(15,445,804)</u>	<u>(13,883,124)</u>	<u>(7,576,174)</u>	<u>(10,089,485)</u>
Total primary government net position	<u>\$ (746,519)</u>	<u>\$ 199,227</u>	<u>\$ 6,347,516</u>	<u>\$ (706,726)</u>

Source: District financial records.

- (1) New terminology in accordance with GASB Statement No. 63 which was implemented in 2013.
- (2) Net position restated for GASB Statement No. 68, which was implemented in 2015.
- (3) Net position restated for GASB Statement No. 75, which was implemented in 2018.
- (4) Net position restated for GASB Statement No. 84, which was implemented in 2020.

	2017 (3)	2016	2015	2014 (2)	2013 (1)	2012 (1)
\$	7,064,475	\$ 7,746,123	\$ 7,882,991	\$ 7,601,570	\$ 7,549,500	\$ 8,373,342
	-	2,367	540,935	3,429	48,029	18,167
	3,578,965	2,840,995	2,724,609	2,542,419	2,635,272	2,467,211
	7,380	8,510	9,300	9,351	9,352	9,938
	2,423	-	13,280	41,370	23,137	37,313
	14,039	21,827	50,260	118,984	214,015	25,051
	10,995	28,445	26,448	31,077	27,784	57,117
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>(20,902,380)</u>	<u>(6,864,632)</u>	<u>(9,076,564)</u>	<u>(10,167,556)</u>	<u>15,179,958</u>	<u>12,562,342</u>
	<u>(10,224,103)</u>	<u>3,783,635</u>	<u>2,171,259</u>	<u>180,644</u>	<u>25,687,047</u>	<u>23,550,481</u>
	47,527	58,061	69,285	81,291	94,072	109,865
	<u>(1,461,100)</u>	<u>(819,906)</u>	<u>(920,747)</u>	<u>25,496</u>	<u>(170,180)</u>	<u>(254,234)</u>
	<u>(1,413,573)</u>	<u>(761,845)</u>	<u>(851,462)</u>	<u>106,787</u>	<u>(76,108)</u>	<u>(144,369)</u>
	7,112,002	7,804,184	7,952,276	7,682,861	7,643,572	8,483,207
	-	2,367	540,935	3,429	48,029	18,167
	3,578,965	2,840,995	2,724,609	2,542,419	2,635,272	2,467,211
	7,380	8,510	9,300	9,351	9,352	9,938
	2,423	-	13,280	41,370	23,137	37,313
	14,039	21,827	50,260	118,984	214,015	25,051
	10,995	28,445	26,448	31,077	27,784	57,117
	-	-	-	-	-	-
	<u>(22,363,480)</u>	<u>(7,684,538)</u>	<u>(9,997,311)</u>	<u>(10,142,060)</u>	<u>15,009,778</u>	<u>12,308,108</u>
\$	<u><u>(11,637,676)</u></u>	<u><u>\$ 3,021,790</u></u>	<u><u>\$ 1,319,797</u></u>	<u><u>\$ 287,431</u></u>	<u><u>\$ 25,610,939</u></u>	<u><u>\$ 23,406,112</u></u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Expenses	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Governmental activities:				
Instruction:				
Regular	\$ 12,772,178	\$ 14,432,412	\$ 10,778,829	\$ 5,772,202
Special	4,856,144	4,616,032	3,730,179	1,983,087
Vocational	27,689	7,503	1,990	212
Other instructional	30,805	30,911	31,617	31,499
Support services:				
Pupil	1,763,190	1,730,019	1,583,370	798,083
Instructional staff	761,638	855,361	663,047	393,706
Board of education	91,081	54,798	53,384	45,446
Administration	1,484,635	1,673,523	1,638,383	719,777
Fiscal	776,618	677,154	821,670	516,257
Business	204,435	195,686	129,210	82,291
Operations and maintenance	1,861,870	1,725,990	1,660,335	1,320,479
Pupil transportation	701,134	838,445	724,459	473,019
Central	2,404,991	580,846	378,670	181,326
Operation of non-instructional services:				
Other non-instructional services	552,181	516,883	514,096	393,264
Extracurricular activities	579,822	611,804	415,092	265,689
Interest and fiscal charges	1,742,660	2,074,241	2,007,651	2,170,106
Bond issuance costs	-	-	-	-
Total governmental activities expenses	<u>30,611,071</u>	<u>30,621,608</u>	<u>25,131,982</u>	<u>15,146,443</u>
Business-type activities:				
Food service	480,168	499,636	517,441	448,593
Day care services	718,043	1,009,583	988,788	776,171
Total business-type activities expenses	<u>1,198,211</u>	<u>1,509,219</u>	<u>1,506,229</u>	<u>1,224,764</u>
Total primary government expenses	<u>\$ 31,809,282</u>	<u>\$ 32,130,827</u>	<u>\$ 26,638,211</u>	<u>\$ 16,371,207</u>

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$	12,713,393	\$ 11,182,440	\$ 10,613,471	\$ 10,160,176	\$ 10,159,477	\$ 10,527,461
	3,775,162	3,274,139	3,017,452	2,966,148	2,763,960	2,044,031
	46,841	92,529	85,816	119,372	101,276	101,336
	31,936	29,776	27,580	28,429	27,004	26,963
	1,557,977	1,483,200	1,388,422	1,327,486	1,372,568	1,402,845
	608,533	619,491	481,574	508,121	589,672	1,227,221
	59,093	71,643	268,722	63,735	33,499	24,499
	1,584,574	1,627,613	1,419,446	1,530,055	1,465,239	1,525,224
	908,432	753,854	594,717	821,468	682,284	808,236
	21,753	14,811	18,594	15,969	33,442	15,108
	2,027,688	2,034,114	1,761,981	2,339,963	1,767,999	1,848,672
	903,762	773,702	670,257	635,344	636,919	598,342
	2,342,440	800,018	605,860	317,623	271,886	703,144
	452,870	479,910	487,070	435,425	448,198	440,844
	575,895	459,121	449,449	475,581	531,641	546,593
	1,380,473	830,372	534,058	782,309	861,026	1,343,335
	-	-	-	79,000	304,956	-
	<u>28,990,822</u>	<u>24,526,733</u>	<u>22,424,469</u>	<u>22,606,204</u>	<u>22,051,046</u>	<u>23,183,854</u>
	441,249	374,766	378,023	407,926	431,845	409,011
	<u>1,038,329</u>	<u>805,092</u>	<u>717,833</u>	<u>710,406</u>	<u>728,605</u>	<u>732,200</u>
	<u>1,479,578</u>	<u>1,179,858</u>	<u>1,095,856</u>	<u>1,118,332</u>	<u>1,160,450</u>	<u>1,141,211</u>
\$	<u>30,470,400</u>	<u>\$ 25,706,591</u>	<u>\$ 23,520,325</u>	<u>\$ 23,724,536</u>	<u>\$ 23,211,496</u>	<u>\$ 24,325,065</u>

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Program Revenues	2021	2020	2019	2018
Governmental activities:				
Charges for services and sales:				
Instruction:				
Regular	\$ 194,937	\$ 315,493	\$ 269,688	\$ 259,126
Special	90,433	95,168	140,476	175,114
Other instructional	-	-	-	-
Support services:				
Pupil	200	-	-	-
Instructional staff	-	53	-	-
Administration	-	-	-	-
Operations and maintenance	100,495	51,105	137,443	130,677
Pupil transportation	1,170	13,590	8,040	50,501
Central	-	-	-	-
Operation of non-instructional services:				
Other non-instructional services	600	1,018	476	1,992
Extracurricular activities	117,179	157,348	116,883	121,031
Operating grants and contributions:				
Instruction:				
Regular	221,833	124,439	46,639	66,352
Special	1,020,515	1,041,440	1,003,238	1,114,651
Vocational	3,453	3,397	2,464	3,808
Other instructional	-	-	-	-
Support services:				
Pupil	387,502	354,260	126,743	112,271
Instructional staff	84,828	49,857	17,318	21,590
Board of education	1,202	-	-	-
Administration	-	-	1,043	871
Fiscal	385	-	-	-
Business	6,803	-	-	-
Operations and maintenance	63,606	5,501	-	-
Pupil transportation	7,460	-	-	8,154
Central	9,099	-	-	-
Operation of non-instructional services:				
Other non-instructional services	521,067	554,458	494,128	440,936
Extracurricular activities	6,489	6,422	479	14,988
Capital grants and contributions:				
Instruction:				
Regular	-	-	-	109
Support services:				
Operations and maintenance	-	-	-	2,847
Pupil transportation	24,068	-	-	4,679
Total governmental program revenues	2,863,324	2,773,549	2,365,058	2,529,697
Business-type activities:				
Charges for services and sales:				
Food service	56,239	176,443	231,233	248,166
Day care services	666,962	753,486	1,021,283	995,895
Operating grants and contributions:				
Food service	492,459	179,610	232,455	205,920
Day care services	9,701	-	-	-
Total business-type activities program revenues	1,225,361	1,109,539	1,484,971	1,449,981
Total primary government program revenue	4,088,685	3,883,088	3,850,029	3,979,678
Net (Expense)/Revenue				
Governmental activities	(27,747,747)	(27,848,059)	(22,766,924)	(12,616,746)
Business-type activities	27,150	(399,680)	(21,258)	225,217
Total primary government net expense	\$ (27,720,597)	\$ (28,247,739)	\$ (22,788,182)	\$ (12,391,529)

	2017	2016	2015	2014	2013	2012
\$	284,146	\$ 388,870	\$ 377,091	\$ 336,844	\$ 414,852	\$ 405,162
	85,297	92,449	29,083	38,480	33,017	11,753
	-	-	-	-	-	1,712
	-	-	-	-	-	-
	4,546	-	-	-	-	-
	-	-	-	-	-	1,872
	104,996	106,943	102,301	102,164	101,970	104,119
	5,603	1,670	6,108	29,600	35,520	33,382
	-	-	-	-	1,431	-
	538	612	-	1,990	1,237	172
	119,805	109,506	116,018	101,150	103,829	96,092
	64,743	69,269	63,046	63,770	64,233	66,040
	996,773	856,418	962,436	952,668	727,450	392,629
	265	743	284	140	7,802	7,802
	-	-	-	-	784	654
	115,201	97,004	114,345	104,071	177,360	122,200
	26,715	28,806	28,204	44,373	62,143	-
	-	-	-	-	-	-
	535	764	1,162	4,133	8,771	2,831
	-	-	-	25,756	26,018	9,975
	-	-	-	-	-	-
	-	-	-	2,589	-	1,161
	13,636	-	-	-	-	37,082
	-	-	-	-	2,146	8,321
	445,008	465,242	457,319	448,969	430,875	438,194
	7,404	4,995	200	1,825	6,306	25,737
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>2,275,211</u>	<u>2,223,291</u>	<u>2,257,597</u>	<u>2,258,522</u>	<u>2,205,744</u>	<u>1,766,890</u>
	242,923	204,915	184,078	228,269	232,193	199,724
	951,572	854,022	741,552	793,720	791,579	746,139
	196,829	199,368	187,378	171,535	188,987	202,397
	-	-	-	-	-	-
	<u>1,391,324</u>	<u>1,258,305</u>	<u>1,113,008</u>	<u>1,193,524</u>	<u>1,212,759</u>	<u>1,148,260</u>
	<u>3,666,535</u>	<u>3,481,596</u>	<u>3,370,605</u>	<u>3,452,046</u>	<u>3,418,503</u>	<u>2,915,150</u>
	(26,715,611)	(22,303,442)	(20,166,872)	(20,347,682)	(19,845,302)	(21,416,964)
	(88,254)	78,447	17,152	75,192	52,309	7,049
\$	<u>(26,803,865)</u>	<u>(22,224,995)</u>	<u>(20,149,720)</u>	<u>(20,272,490)</u>	<u>(19,792,993)</u>	<u>(21,409,915)</u>

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 18,512,754	\$ 14,090,088	\$ 16,469,682	\$ 15,230,017
Debt service	2,307,140	1,934,013	2,205,805	1,930,380
Capital outlay	782,048	625,832	762,315	727,981
Grants and entitlements not restricted to specific programs	4,920,432	4,600,970	5,014,764	4,911,677
Investment earnings	158,353	506,465	703,684	744,644
Fair value adjustment	(157,611)	337,926	567,438	(227,440)
Miscellaneous	251,735	4,156	80,250	5,220
Transfers	-	-	-	-
Total governmental activities	<u>26,774,851</u>	<u>22,099,450</u>	<u>25,803,938</u>	<u>23,322,479</u>
Business-type activities:				
Miscellaneous	-	-	1,225	-
Transfers	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>1,225</u>	<u>-</u>
Total primary government	<u>26,774,851</u>	<u>22,099,450</u>	<u>25,805,163</u>	<u>23,322,479</u>
Change in Net Position				
Governmental activities	(972,896)	(5,748,609)	3,037,014	10,705,733
Business-type activities	<u>27,150</u>	<u>(399,680)</u>	<u>(20,033)</u>	<u>225,217</u>
Total primary government	<u>\$ (945,746)</u>	<u>\$ (6,148,289)</u>	<u>\$ 3,016,981</u>	<u>\$ 10,930,950</u>

Source: District financial records.

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$	13,214,078	\$ 16,945,403	\$ 15,302,280	\$ 16,876,303	\$ 15,093,080	\$ 15,697,755
	1,645,228	1,776,939	1,636,060	1,925,240	2,032,515	2,166,501
	579,683	-	-	-	-	-
	4,873,761	4,850,596	4,776,039	4,580,830	4,744,664	4,773,368
	268,157	334,013	94,653	135,563	31,082	118,471
	(350,762)	-	-	-	-	-
	23,184	8,867	388,455	26,392	80,527	110,185
	-	-	(40,000)	(107,000)	-	-
	<u>20,253,329</u>	<u>23,915,818</u>	<u>22,157,487</u>	<u>23,437,328</u>	<u>21,981,868</u>	<u>22,866,280</u>
	-	11,170	8,185	703	15,952	10,464
	-	-	40,000	107,000	-	-
	<u>-</u>	<u>11,170</u>	<u>48,185</u>	<u>107,703</u>	<u>15,952</u>	<u>10,464</u>
	<u>20,253,329</u>	<u>23,926,988</u>	<u>22,205,672</u>	<u>23,545,031</u>	<u>21,997,820</u>	<u>22,876,744</u>
	(6,462,282)	1,612,376	1,990,615	3,089,646	2,136,566	1,449,316
	(88,254)	89,617	65,337	182,895	68,261	17,513
\$	<u>(6,550,536)</u>	<u>\$ 1,701,993</u>	<u>\$ 2,055,952</u>	<u>\$ 3,272,541</u>	<u>\$ 2,204,827</u>	<u>\$ 1,466,829</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Governmental activities:				
Instruction:				
Regular	\$ 416,770	\$ 439,932	\$ 316,327	\$ 325,587
Special	1,110,948	1,136,608	1,143,714	1,289,765
Vocational	3,453	3,397	2,464	3,808
Other instructional	-	-	-	-
Support services:				
Pupil	387,702	354,260	126,743	112,271
Instructional staff	84,828	49,910	17,318	21,590
Board of education	1,202	-	-	-
Administration	-	-	1,043	871
Fiscal	385	-	-	-
Business	6,803	-	-	-
Operations and maintenance	164,101	56,606	137,443	133,524
Pupil transportation	32,698	13,590	8,040	63,334
Central	9,099	-	-	-
Operation of non-instructional services:				
Other non-instructional services	521,667	555,476	494,604	442,928
Extracurricular activities	123,668	163,770	117,362	136,019
Total governmental activities	<u>2,863,324</u>	<u>2,773,549</u>	<u>2,365,058</u>	<u>2,529,697</u>
Business-type activities:				
Food service	548,698	356,053	463,688	454,086
Day care services	676,663	753,486	1,021,283	995,895
Total business-type activities	<u>1,225,361</u>	<u>1,109,539</u>	<u>1,484,971</u>	<u>1,449,981</u>
Total primary government	<u>\$ 4,088,685</u>	<u>\$ 3,883,088</u>	<u>\$ 3,850,029</u>	<u>\$ 3,979,678</u>

Source: District financial records.

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$	348,889	\$ 458,139	\$ 440,137	\$ 400,614	\$ 479,085	\$ 471,202
	1,082,070	948,867	991,519	991,148	760,467	404,382
	265	743	284	140	7,802	7,802
	-	-	-	-	784	2,366
	115,201	97,004	114,345	104,071	177,360	122,200
	31,261	28,806	28,204	44,373	62,143	-
	-	-	-	-	-	-
	535	764	1,162	4,133	8,771	4,703
	-	-	-	25,756	26,018	9,975
	-	-	-	-	-	-
	104,996	106,943	102,301	104,753	101,970	105,280
	19,239	1,670	6,108	29,600	35,520	70,464
	-	-	-	-	3,577	8,321
	445,546	465,854	457,319	450,959	432,112	438,366
	127,209	114,501	116,218	102,975	110,135	121,829
	<u>2,275,211</u>	<u>2,223,291</u>	<u>2,257,597</u>	<u>2,258,522</u>	<u>2,205,744</u>	<u>1,766,890</u>
	439,752	404,283	371,456	399,804	421,180	402,121
	951,572	854,022	741,552	793,720	791,579	746,139
	<u>1,391,324</u>	<u>1,258,305</u>	<u>1,113,008</u>	<u>1,193,524</u>	<u>1,212,759</u>	<u>1,148,260</u>
\$	<u>3,666,535</u>	<u>\$ 3,481,596</u>	<u>\$ 3,370,605</u>	<u>\$ 3,452,046</u>	<u>\$ 3,418,503</u>	<u>\$ 2,915,150</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>
General Fund:				
Nonspendable	\$ 44,886	\$ 45,028	\$ 12,501	\$ 16,278
Committed	13,061	42,945	214,426	58,789
Assigned	448,933	128,682	185,981	2,745,502
Unassigned	<u>14,123,895</u>	<u>12,500,242</u>	<u>14,750,205</u>	<u>12,816,652</u>
Total general fund	<u>14,630,775</u>	<u>12,716,897</u>	<u>15,163,113</u>	<u>15,637,221</u>
All Other Governmental Funds:				
Nonspendable	3,849,389	3,844,524	-	-
Restricted	3,694,381	3,673,285	22,388,995	35,140,587
Committed	543,424	47,768	190,131	305,766
Unassigned (deficit)	<u>(181,192)</u>	<u>(275,562)</u>	<u>(148,845)</u>	<u>(243,622)</u>
Total all other governmental funds	<u>7,906,002</u>	<u>7,290,015</u>	<u>22,430,281</u>	<u>35,202,731</u>
Total governmental funds	<u>\$ 22,536,777</u>	<u>\$ 20,006,912</u>	<u>\$ 37,593,394</u>	<u>\$ 50,839,952</u>

Source: District financial records.

(1) The District implemented GASB Statement 84 in fiscal year 2020.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 22,707	\$ 11,453	\$ 61,494	\$ 10,689	\$ 10,457	\$ 7,605
123,506	17,356	-	-	-	10,234
1,230,332	230,746	1,550,484	313,968	223,219	294,570
<u>16,109,357</u>	<u>20,549,891</u>	<u>18,007,077</u>	<u>17,921,642</u>	<u>15,341,983</u>	<u>13,732,862</u>
17,485,902	20,809,446	19,619,055	18,246,299	15,575,659	14,045,271
-	-	-	-	-	-
37,826,418	3,309,884	3,596,800	2,892,863	2,822,345	2,638,222
734,522	839,531	-	273,857	374,441	111,584
<u>(38,682)</u>	<u>(103,446)</u>	<u>(51,372)</u>	<u>-</u>	<u>(25,867)</u>	<u>(4,961)</u>
38,522,258	4,045,969	3,545,428	3,166,720	3,170,919	2,744,845
<u>\$ 56,008,160</u>	<u>\$ 24,855,415</u>	<u>\$ 23,164,483</u>	<u>\$ 21,413,019</u>	<u>\$ 18,746,578</u>	<u>\$ 16,790,116</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (1)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues				
Property taxes	\$ 21,522,212	\$ 16,574,489	\$ 19,414,142	\$ 17,910,207
Intergovernmental	7,326,539	6,322,781	6,850,923	6,477,788
Investment earnings	214,517	571,988	721,559	745,200
Tuition and fees	261,098	229,275	169,489	211,277
Transportation fees	-	13,590	8,040	17,230
Extracurricular	143,421	199,828	169,619	201,228
Classroom materials and fees	-	134,724	161,930	159,486
Rental income	100,495	50,675	158,733	110,438
Contributions and donations	20,491	13,822	27,898	25,248
Contract services	-	5,683	5,195	38,782
Miscellaneous	326,860	110,337	4,692	20,781
Change in fair value on investments	(157,611)	337,926	567,438	(227,440)
Total revenues	<u>29,758,022</u>	<u>24,565,118</u>	<u>28,259,658</u>	<u>25,690,225</u>
Expenditures				
Current:				
Instruction:				
Regular	10,015,958	9,979,466	10,691,661	10,847,292
Special	4,502,157	4,281,307	4,149,985	4,081,533
Vocational	1,328	215,084	2,007	378
Other	10,639	10,745	11,676	11,558
Support services:				
Pupil	1,642,962	1,630,262	1,706,784	1,471,241
Instructional staff	761,241	784,193	647,254	692,700
Board of education	89,807	53,612	55,533	53,335
Administration	1,374,410	1,567,578	1,762,882	1,532,160
Fiscal	739,663	650,410	848,750	799,005
Business	186,437	183,919	145,550	159,100
Operations and maintenance	1,761,484	1,646,263	1,786,723	1,881,694
Pupil transportation	696,868	637,529	728,287	875,062
Central	2,374,789	370,038	294,927	243,806
Operation of non-instructional services:				
Other non-instructional services	538,551	505,843	501,928	441,527
Extracurricular activities	537,790	567,341	473,544	537,211
Facilities acquisition and construction	358,259	14,926,338	17,521,308	2,721,611
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	1,495,894	1,515,315	2,000,716	2,203,385
Interest and fiscal charges	1,574,905	1,901,849	1,915,202	2,079,047
Bond and certificates of participation issuance costs	197,583	214,200	-	-
Payment to refunded bond escrow agent	500,000	500,000	-	-
Accretion on capital appreciation bonds	128,106	235,685	232,456	226,788
Total expenditures	<u>29,488,831</u>	<u>42,376,977</u>	<u>45,477,173</u>	<u>30,858,433</u>
Excess (deficiency) of revenues over (under) expenditures	<u>269,191</u>	<u>(17,811,859)</u>	<u>(17,217,515)</u>	<u>(5,168,208)</u>
Other Financing Sources (Uses)				
Sale of assets and insurance recoveries	2,348	2,741	1,800	-
Transfers in	1,382,850	1,052,589	1,432,891	1,368,000
Transfers (out)	(1,382,850)	(1,052,589)	(1,432,891)	(1,368,000)
Capital lease transaction	2,058,975	-	-	-
General obligation bonds issued	-	-	-	-
Refunding bonds issued	10,340,000	12,450,000	-	-
Premium on certificates of participations and bonds	1,119,333	1,887,242	-	-
Payment refunded bond escrow agent	(11,259,982)	(14,114,606)	-	-
Certificates of participation issued	-	-	-	-
Total other financing sources (uses)	<u>2,260,674</u>	<u>225,377</u>	<u>1,800</u>	<u>-</u>
Net change in fund balances	<u>\$ 2,529,865</u>	<u>\$ (17,586,482)</u>	<u>\$ (17,215,715)</u>	<u>\$ (5,168,208)</u>
Capital expenditures (included in expenditures above)	672,146	12,724,659	17,612,025	2,973,080
Debt service as a percentage of noncapital expenditures	10.66%	11.52%	14.05%	15.36%

Source: District financial records.

(1) Includes General, Special Revenue, Capital Projects, and Debt Service funds.

	2017	2016	2015	2014	2013	2012
\$	15,434,566	\$ 18,653,576	\$ 17,463,995	\$ 18,416,893	\$ 17,392,923	\$ 17,083,443
	6,527,414	6,454,356	6,407,102	6,368,137	5,994,215	6,084,947
	298,909	338,748	88,514	132,284	37,413	113,069
	133,186	259,359	208,922	222,481	306,080	266,691
	-	-	-	-	-	-
	226,960	191,232	181,275	164,039	171,383	155,419
	126,028	122,996	107,442	79,751	76,903	96,508
	104,996	106,943	102,301	102,164	101,970	104,119
	21,307	20,573	10,671	12,069	11,378	33,545
	8,157	13,764	-	-	-	-
	51,563	19,171	36,032	72,341	101,243	155,159
	(431,252)	-	-	-	-	-
	<u>22,501,834</u>	<u>26,180,718</u>	<u>24,606,254</u>	<u>25,570,159</u>	<u>24,193,508</u>	<u>24,092,900</u>
	10,494,713	10,071,144	9,520,195	8,947,016	9,049,519	9,472,929
	3,490,003	3,294,387	3,063,183	2,969,311	2,749,086	2,054,128
	58,070	109,194	104,218	131,726	112,285	101,336
	12,192	11,966	12,029	14,478	14,650	15,954
	1,442,216	1,486,365	1,411,112	1,315,830	1,391,035	1,418,673
	581,746	609,876	450,574	454,886	543,701	1,191,611
	57,925	71,743	268,996	63,735	33,499	24,499
	1,497,235	1,633,050	1,461,397	1,514,324	1,446,104	1,525,693
	862,482	747,497	611,516	816,874	683,382	807,897
	21,428	14,811	18,594	15,969	33,442	15,108
	1,889,757	1,964,733	1,810,888	1,695,749	1,708,857	1,714,845
	817,352	735,082	729,462	697,314	693,156	714,197
	2,182,297	795,281	788,137	301,018	259,559	586,819
	440,186	485,062	488,433	434,108	446,655	440,733
	546,529	493,861	460,659	473,027	531,056	545,067
	685,154	86,446	100,095	821,181	409,514	263,660
	-	-	-	446,648	-	-
	1,686,414	1,203,620	1,203,893	1,365,000	1,280,000	1,210,000
	803,544	675,668	702,849	729,413	854,092	1,174,282
	457,402	-	-	79,000	304,956	-
	-	-	-	-	-	-
	102,894	-	-	-	-	-
	<u>28,129,539</u>	<u>24,489,786</u>	<u>23,206,230</u>	<u>23,286,607</u>	<u>22,544,548</u>	<u>23,277,431</u>
	<u>(5,627,705)</u>	<u>1,690,932</u>	<u>1,400,024</u>	<u>2,283,552</u>	<u>1,648,960</u>	<u>815,469</u>
	-	-	431,440	-	-	5,000
	850,000	1,600,000	899,000	1,019,132	1,064,010	452,500
	(1,180,000)	(1,600,000)	(979,000)	(1,162,156)	(1,064,010)	(452,500)
	1,644,518	-	-	446,648	-	-
	10,750,000	-	-	-	-	-
	-	-	-	6,901,000	16,539,980	-
	550,932	-	-	490,730	2,350,698	-
	-	-	-	(7,312,465)	(18,583,176)	-
	24,165,000	-	-	-	-	-
	<u>36,780,450</u>	<u>-</u>	<u>351,440</u>	<u>382,889</u>	<u>307,502</u>	<u>5,000</u>
\$	<u>31,152,745</u>	<u>\$ 1,690,932</u>	<u>\$ 1,751,464</u>	<u>\$ 2,666,441</u>	<u>\$ 1,956,462</u>	<u>\$ 820,469</u>
	640,033	42,566	383,049	692,418	453,102	263,660
	9.06%	7.69%	8.35%	9.27%	9.66%	10.36%

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Collection Year	Real Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2021	\$ 400,640,380	\$ 1,144,686,800	\$ 6,341,500	\$ 7,206,250
2020	402,019,580	1,148,627,371	6,040,490	6,864,193
2019	402,409,130	1,149,740,371	5,625,260	6,392,341
2018	354,857,500	1,013,878,571	5,332,130	6,059,239
2017	354,231,570	1,012,090,200	4,984,210	5,663,875
2016	361,371,420	1,032,489,771	4,705,490	5,347,148
2015	334,796,640	956,561,829	4,598,810	5,225,920
2014	340,827,800	973,793,714	4,394,500	4,993,750
2013	336,463,920	961,325,486	4,011,650	4,558,693
2012	350,580,950	1,001,659,857	3,709,930	4,215,830

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

Note: The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated by the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed.

(1) The effective tax rate has been replaced by the direct tax rate for all years covered by this schedule.

Source: Office of the Fiscal Officer, Cuyahoga County

Total

Assessed Value	Estimated Actual Value	Ratio	Direct Tax Rate (1)
\$ 406,981,880	\$ 1,151,893,050	35.33%	\$ 106.02
408,060,070	1,155,491,565	35.31%	98.12
408,034,390	1,156,132,712	35.29%	98.72
360,189,630	1,019,937,810	35.31%	98.72
359,215,780	1,017,754,075	35.29%	98.62
366,076,910	1,037,836,919	35.27%	96.17
339,395,450	961,787,749	35.29%	96.47
345,222,300	978,787,464	35.27%	96.47
340,475,570	965,884,179	35.25%	97.70
354,290,880	1,005,875,687	35.22%	97.60

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

Tax Year/ Collection Year	Direct Tax Rates				Overlapping Tax Rates					
	Voted			Unvoted	Total Direct	Cuyahoga County	City of Fairview Park	Other Levies (1)	Total Levy	
	General	Bond	Permanent Improvement							
2020/2021	\$ 92.90	\$ 6.40	\$ 2.15	\$ 4.57	\$ 106.02	\$ 14.85	\$ 11.80	\$ 14.37	\$ 147.04	
2019/2020	85.30	6.10	2.15	4.57	98.12	14.05	11.80	13.37	137.34	
2018/2019	85.80	6.20	2.15	4.57	98.72	14.05	11.80	12.97	137.54	
2017/2018	85.80	6.20	2.15	4.57	98.72	14.05	11.80	12.97	137.54	
2016/2017	85.70	6.20	2.15	4.57	98.62	14.05	11.80	12.47	136.94	
2015/2016	86.30	5.30	-	4.57	96.17	14.05	11.80	12.08	134.10	
2014/2015	86.30	5.60	-	4.57	96.47	14.05	11.80	11.78	134.10	
2013/2014	86.30	5.60	-	4.57	96.47	14.05	11.80	10.88	133.20	
2012/2013	86.10	7.03	-	4.57	97.70	13.22	11.80	9.98	132.70	
2011/2012	86.00	7.03	-	4.57	97.60	13.22	11.80	10.08	132.70	

Source: Cuyahoga County Fiscal Officer's Office - Data is presented on a calendar year basis consistent with the County Fiscal Officer's method of maintaining the information. Composite Reduction Factor (DTE515) report.

(1) Note: Other levies consists of Polaris JVSD, Cuyahoga County Library, Cuyahoga Community College and Cuyahoga County Port Authority.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN YEARS

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections (2)</u>	<u>Total Tax Collection</u>	<u>Total Collection As a Percent of Total Levy</u>
2021	\$ 25,009,649	\$ 24,400,839	97.57%	\$ 492,636	\$ 24,893,475	99.54%
2020	21,778,305	21,307,905	97.84%	353,394	21,661,299	99.46%
2019	21,999,067	21,587,950	98.13%	325,249	21,913,199	99.61%
2018	21,130,672	20,779,310	98.34%	371,336	21,150,646	100.09%
2017	21,030,238	20,598,397	97.95%	400,537	20,998,934	99.85%
2016	19,764,698	19,472,336	98.52%	280,719	19,753,055	99.94%
2015	19,772,724	19,361,912	97.92%	390,321	19,752,233	99.90%
2014	19,798,918	19,285,908	97.41%	461,947	19,747,855	99.74%
2013	20,507,201	19,663,016	95.88%	384,089	20,047,105	97.76%
2012	20,373,581	19,710,953	96.75%	548,602	20,259,555	99.44%

Source: Office of the Fiscal Officer, Cuyahoga County.

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

(2) The County does not identify delinquent tax collections by tax year.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS
REAL ESTATE TAX
DECEMBER 31, 2020 AND DECEMBER 31, 2011

December 31, 2020			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Real Estate Assessed Value
Fairview Village Associates LLC	\$ 6,560,510	1	1.61%
Cleveland Electric Illuminating	3,942,190	2	0.97%
Fairview Retail LLC	3,697,330	3	0.91%
LVIHEF LLC	2,966,220	4	0.73%
200 West Apartments LLC	1,973,580	5	0.48%
West Valley Medical	1,717,560	6	0.42%
American Transmission System	1,442,530	7	0.35%
East Ohio Gas Co.	956,780	8	0.24%
Fairview Office Land Holding LLC	927,510	9	0.23%
Puzzitiello, Rocco H Jr-et-al	802,550	10	0.20%
Totals	<u>\$ 24,986,760</u>		<u>6.14%</u>
Toal Assessed Valuation	<u>\$ 406,981,880</u>		

December 31, 2011			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Real Estate Assessed Value
Z & Sons Limited Partnership	\$ 5,950,000	1	1.68%
Fairview - L, M LLC and Rock CR	3,588,940	2	1.01%
Lawn Village, Inc.	2,439,220	3	0.69%
200 West Apartments	1,855,000	4	0.52%
West Valley Medical	1,751,550	5	0.49%
Stallard-Schrief Fam. Ltd	805,000	6	0.23%
McGowan Real Estate	796,260	7	0.22%
Fairview Park Senior Apartments	752,710	8	0.21%
Fairview Realty Invest LTD	750,790	9	0.21%
Puzzitiello Rocco H JR. Trs.	682,500	10	0.19%
Totals	<u>\$ 19,371,970</u>		<u>5.48%</u>
Toal Assessed Valuation	<u>\$ 354,290,880</u>		

Source: Office of the Fiscal Officer, Cuyahoga County

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
ATTRIBUTABLE TO GOVERNMENTAL ACTIVITIES
JUNE 30, 2021

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt Debt
Overlapping debt:			
City of Fairview Park	\$ 950,000	91.53%	\$ 869,535
Cuyahoga County	266,495,000	1.32%	3,517,734
Polaris Career Center	1,645,000	7.67%	126,172
Cuyahoga Community College	201,500,000	1.32%	2,659,800
Total overlapping debt	470,590,000		7,173,241
Direct debt	53,403,923	100.00%	53,403,923
Total direct and overlapping debt	\$ 523,993,923		\$ 60,577,164

Source: Ohio Municipal Advisory Council (OMAC)

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the District by the total assessed valuation of the government.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Total	Percentage of Total Personal Income (2)	Per Capita (2)
	General Obligation Bonds (1)	Certificates of Participation	Capital Leases				
2021	\$ 29,354,948	\$ 21,990,000	\$ 2,058,975	\$ 53,403,923	8.23%	\$ 3,089	
2020	29,901,951	22,495,000	-	52,396,951	10.63%	3,242	
2019	32,569,093	22,985,000	-	55,554,093	10.32%	3,412	
2018	33,729,443	23,465,000	548,172	57,742,615	10.72%	3,544	
2017	34,859,389	24,165,000	1,096,345	60,120,734	11.26%	3,573	
2016	24,708,615	-	149,135	24,857,750	4.78%	1,477	
2015	25,664,301	-	295,755	25,960,056	5.22%	1,543	
2014	26,842,945	-	446,648	27,289,593	5.49%	1,647	
2013	28,536,131	-	-	28,536,131	5.74%	1,696	
2012	27,604,200	-	-	27,604,200	5.55%	1,641	

Source: District financial records.

(1) Includes unamortized premiums and accreted interest on capital appreciation bonds.

(2) See "Demographic and Economic Statistics" for population and personal income information.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RATIO OF DEBT TO ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY AND DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	(2) Estimated Actual Value of Taxable Property	General Bonded Debt				Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita
			General Bonded Debt Outstanding (4)	Resources Available to Pay Principal (3)	Net General Bonded Debt			
2021	17,291	\$ 1,151,893,050	\$ 29,354,948	\$ 2,810,300	\$ 26,544,648	2.30%	\$ 1,535	
2020	16,161	1,155,491,565	29,901,951	2,730,396	27,171,555	2.35%	1,681	
2019	16,284	1,156,132,712	32,569,093	3,276,227	29,292,866	2.53%	1,799	
2018	16,292	1,019,937,810	33,729,443	3,080,358	30,649,085	3.00%	1,881	
2017	16,826	1,017,754,075	34,859,389	3,578,965	31,280,424	3.07%	1,859	
2016	16,826	1,037,836,919	24,708,615	2,840,995	21,867,620	2.11%	1,300	
2015	16,826	961,787,749	25,664,301	2,724,609	22,939,692	2.39%	1,363	
2014	16,571	978,787,464	26,842,945	2,542,419	24,300,526	2.48%	1,466	
2013	16,826	965,884,179	28,536,131	2,635,272	25,900,859	2.68%	1,538	
2012	16,826	1,005,875,687	27,604,200	2,467,211	25,136,989	2.50%	1,494	

Source: District financial records.

- (1) See "Demographic and Economic Statistics" for population information.
- (2) See "Assessed Valuation and estimated Actual Value of Taxable Property" for estimated actual value of taxable property information.
- (3) Represents the amount restricted for debt service on the statement of net position. Portion specific to principal and interest cannot be determined. Entire balance may be applied to principal.
- (4) Includes unamortized premiums and accreted interest on capital appreciation bonds.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Voted</u>				
Assessed Valuation	\$ 406,981,880	\$ 408,060,070	\$ 408,034,390	\$ 360,189,630
Debt Limit - 9% of assessed value	\$ 36,628,369	\$ 36,725,406	\$ 36,723,095	\$ 32,417,067
Amount of debt applicable to debt limit:				
General obligation bonds (1)	25,656,948	26,717,842	52,873,157	54,325,701
Less amount available in debt service	(3,296,398)	(3,101,799)	(3,727,674)	(3,542,241)
Total	<u>22,360,550</u>	<u>23,616,043</u>	<u>49,145,483</u>	<u>50,783,460</u>
Overall debt margin	<u>\$ 14,267,819</u>	<u>\$ 13,109,363</u>	<u>\$ (12,422,388)</u>	<u>\$ (18,366,393)</u>
Total net debt applicable to limit as a percentage of debt limit	61.05%	64.30%	133.83%	156.66%
<u>Unvoted</u>				
Debt margin - .10% of assessed value	\$ 406,982	\$ 408,060	\$ 408,034	\$ 360,190
Amount of debt applicable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted debt margin	<u>\$ 406,982</u>	<u>\$ 408,060</u>	<u>\$ 408,034</u>	<u>\$ 360,190</u>

Source: District financial records.

(1) Excludes unamortized premiums and accreted interest on capital appreciation bonds.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>\$ 359,215,780</u>	<u>\$ 366,076,910</u>	<u>\$ 339,395,450</u>	<u>\$ 345,222,300</u>	<u>\$ 340,475,570</u>	<u>\$ 354,290,880</u>
<u>\$ 32,329,420</u>	<u>\$ 32,946,922</u>	<u>\$ 30,545,591</u>	<u>\$ 31,070,007</u>	<u>\$ 30,642,801</u>	<u>\$ 31,886,179</u>
55,980,913	22,055,019	23,019,717	23,991,516	25,304,980	25,980,773
<u>(3,709,916)</u>	<u>(3,257,314)</u>	<u>(2,970,985)</u>	<u>(2,771,555)</u>	<u>(25,801,935)</u>	<u>(25,132,427)</u>
<u>52,270,997</u>	<u>18,797,705</u>	<u>20,048,732</u>	<u>21,219,961</u>	<u>(496,955)</u>	<u>848,346</u>
<u>\$ (19,941,577)</u>	<u>\$ 14,149,217</u>	<u>\$ 10,496,859</u>	<u>\$ 9,850,046</u>	<u>\$ 31,139,756</u>	<u>\$ 31,037,833</u>
161.68%	57.05%	65.64%	68.30%	-1.62%	2.66%
<u>\$ 359,216</u>	<u>\$ 366,077</u>	<u>\$ 339,395</u>	<u>\$ 345,222</u>	<u>\$ 340,476</u>	<u>\$ 354,291</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 359,216</u>	<u>\$ 366,077</u>	<u>\$ 339,395</u>	<u>\$ 345,222</u>	<u>\$ 340,476</u>	<u>\$ 354,291</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Fairview Park Population (1)	Average Personal Income (1)	Per Capita Personal Income (1)	Cuyahoga County Unemployment Rate (2)
2021	17,291	\$ 648,550,828	\$ 37,508	5.8%
2020	16,161	492,829,695	30,495	6.6%
2019	16,284	538,267,620	33,055	4.9%
2018	16,292	538,532,060	33,055	6.4%
2017	16,826	534,023,588	31,738	4.8%
2016	16,826	519,973,878	30,903	4.0%
2015	16,826	497,477,516	30,503	6.4%
2014	16,571	497,477,516	32,144	7.0%
2013	16,826	497,477,516	29,566	7.3%
2012	16,826	497,477,516	29,566	6.9%

(1) U. S. Census Bureau website

(2) Ohio Department of Job and Family Services

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**BUILDING STATISTICS BY FUNCTION/PROGRAM
CURRENT FISCAL YEAR**

Parkview Early Education Learning Center

Constructed in 1952, 1959, 1966, 2020
Total Building Square Footage 40,086
Enrollment Grades - Preschool, Day Care, Kindergarten
Student Capacity - 500
Regular Instruction Classrooms - 6
Regular Instruction Teachers - 6
Special Instruction Teachers - 6

Fairview High School

Constructed in 1929, 1948, 1952, 1954
1960, 1968, 1970, 1978, 2020
Total Building Square Footage 160,559
Enrollment Grades - 9-12
Student Capacity - 850
Regular Instruction Classrooms - 24
Regular Instruction Teachers - 23.5
Special Instruction Teachers - 6

Lewis F. Mayer Middle School

Constructed in 1954, 1960, 1968, 2020
Total Building Square Footage 30,790
Enrollment Grades - 6 - 8
Student Capacity - 450
Regular Instruction Classrooms - 23
Regular Instruction Teachers - 23
Special Instruction Teachers - 5

Gilles-Sweet Elementary School

Constructed in 2007
Total Building Square Footage 104,987
Enrollment Grades - 1 - 5
Student Capacity - 882
Regular Instruction Classrooms - 33
Regular Instruction Teachers - 33
Special Instruction Teachers - 9

Source: District records.

Latest information available

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PER PUPIL COST
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities Expenses	Enrollment (1)	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2021	\$ 30,611,071	1,559	\$ 19,635	9.07%	122.00	12.8
2020	30,621,608	1,701	18,002	22.20%	121.00	14.1
2019	25,131,982	1,706	14,732	74.49%	127.00	13.4
2018	15,146,443	1,794	8,443	-47.38%	125.00	14.4
2017	28,990,822	1,807	16,044	20.69%	123.00	14.7
2016	24,526,733	1,845	13,294	5.82%	115.00	16.0
2015	22,424,469	1,785	12,563	-0.25%	118.33	15.1
2014	22,606,204	1,795	12,594	2.80%	105.00	17.1
2013	22,051,046	1,800	12,251	-9.17%	111.00	16.2
2012	23,413,602	1,736	13,487	2.39%	112.00	15.5

Source: District records.

(1) Based upon EMIS information provided to the Ohio Department of Education.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ENROLLMENT STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Elementary Schools (1)	Middle School Enrollment	High School	Totals
2021	663	376	520	1,559
2020	789	395	517	1,701
2019	791	396	519	1,706
2018	837	414	543	1,794
2017	830	405	572	1,807
2016	854	415	576	1,845
2015	815	394	573	1,782
2014	799	424	572	1,795
2013	943	277	580	1,800
2012	907	243	586	1,736

Source: Ohio Department of Education.

(1) Includes Kindergarten enrollment.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**FULL-TIME EQUIVALENT SCHOOL DISTRICT TEACHERS BY EDUCATION
LAST TEN FISCAL YEARS**

Fiscal Year	Bachelor's Degree	Bachelor + 18	Bachelor + 30	Master's Degree	Master + 18	Master + 30	PhD/EDS	Total
2021	13.00	6.00	13.00	46.00	16.00	22.00	6.00	122.00
2020	15.00	8.00	13.00	48.00	16.00	15.00	6.00	121.00
2019	17.00	9.00	13.00	56.00	10.00	16.00	6.00	127.00
2018	18.00	5.00	17.00	54.00	11.00	14.00	6.00	125.00
2017	10.00	10.00	19.00	60.00	7.00	13.00	4.00	123.00
2016	13.00	9.00	18.00	53.00	6.00	12.00	4.00	115.00
2015	19.00	8.00	18.33	50.00	9.00	10.00	4.00	118.33
2014	6.00	5.00	20.00	55.00	3.00	12.00	4.00	105.00
2013	7.00	6.00	24.00	49.00	4.00	17.00	4.00	111.00
2012	4.00	8.50	17.50	49.00	4.00	24.00	5.00	112.00

Source: District records.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ATTENDANCE AND GRADUATION RATES
LAST TEN FISCAL YEARS

Fiscal Year	Fairview Park Attendance Rate	State Average	Fairview Park Graduation Rate	State Average
2021	95.9%	(1)	92.9%	87.2%
2020	96.8%	(1)	92.0%	85.9%
2019	95.4%	(1)	92.2%	85.3%
2018	93.3%	(1)	94.3%	84.1%
2017	94.9%	(1)	93.1%	(1)
2016	95.4%	(1)	90.1%	78.7%
2015	(1)	(1)	(1)	(1)
2014	95.1%	94.3%	90.8%	82.2%
2013	94.8%	94.2%	92.0%	81.3%
2012	(1)	(1)	(1)	(1)

Source: Ohio Department of Education Local Report Cards.

(1) Information for fiscal year 2012, 2015-2021 not available.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ACT COMPOSITE SCORES
LAST TEN SCHOOL YEARS

School Year	Number of Test Takers	Number of Seniors	Fairview Park Composite	Ohio Composite	National Composite
2020-2021	166	121	20.2	19.9	20.8
2019-2020	113	132	19.8	21.0	20.8
2018-2019	124	131	20.0	20.0	20.7
2017-2018	145	145	21.2	20.3	20.8
2016-2017	94	94	22.5	22.0	21.0
2015-2016	98	98	22.7	22.0	20.8
2014-2015	97	97	21.9	22.0	21.0
2013-2014	104	104	22.1	22.0	21.0
2012-2013	96	68	22.1	21.8	20.9
2011-2012	103	95	22.5	21.8	21.0

Source: High School Guidance Office.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHOOL DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Type	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Regular instruction:										
Elementary classroom teachers	35.00	39	41	40.4	38.5	38.5	43.7	35.5	36.5	38.6
Middle school classroom teachers	22.50	23.0	22.8	22.5	22.0	19.0	20.0	13.4	12.0	11.0
High School classroom teachers	21.00	23.5	24.5	26	31.5	27.0	26.5	25.5	24.6	24.8
Special instruction:										
Elementary classroom teachers	13.00	12.0	12.0	11.0	9.0	8.0	7.9	6.5	6.5	10.6
Gifted education teachers	1.00	1.0	1.0	1.0	1.0	1.0	1.0	1.4	1.4	1.0
Middle school classroom teachers	6.50	5.0	4.0	4.0	4.0	4.0	4.0	2.0	2.0	2.0
High school classroom teachers	5.50	6.0	5.0	5.0	4.5	4.0	4.0	3.0	3.0	4.5
Vocational instruction:										
High school classroom teachers	-	0.0	0.0	0.0	1.0	1.0	1.0	1.8	1.8	1.5
Pupil support services:										
Guidance counselors	4.00	5.0	4.0	4.0	4.0	4.0	4.0	4.0	3.9	5.0
Librarians	2.00	2.0	2.0	1.0	0.0	1.0	1.0	1.0	2.0	2.0
Library Aids	2.00	2.0	3	4	3.5	3.5	3.4	3.5	2.5	2.7
Psychologists	2.00	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Speech and language pathologists	2.00	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Non-teaching support staff central	0.50	0.5	1.0	0.9	0.9	0.9	0.9	1.0	1.0	1.0
Instructional Support Service:										
Non-teaching support staff elementary	23.00	19.5	22	21	20.5	20.0	20.3	21.9	23.3	22.6
Non-teaching support staff middle	8.00	9.0	6.5	6.5	4.8	4.8	4.9	10.0	10.0	10.0
Non-teaching support staff high	12.00	11.5	9	10.5	9	10.0	9.0	10.8	11.0	10.8
Non-teaching support staff central	1.50	1.5	1.5	2.8	2.8	1.8	1.8	2.9	2.9	2.9
Administration:										
Elementary	3.00	3.0	3.0	3.0	3.0	3.0	2.2	3.0	3.0	3.0
Middle school	1.50	0.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.0
High school	1.50	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.0	2.5
Central	2.00	3.0	3.00	5.00	5.00	5.0	3.8	3.2	3.2	3.3
Business:										
Central	1.00	1.0	1	1	-	-	-	0.5	0.5	0.5
Fiscal:										
Treasurer department	4.00	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Operation of plant:										
Custodial department	16.00	13.0	13	10.5	12.5	13.5	14.1	13.1	14.8	15.7
Maintenance department	2.00	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.8	1.8
Pupil transportation:										
Bus drivers	7.00	7.5	6.0	6.9	7.0	6.5	6.5	6.4	5.4	5.6
Bus aides	-	0.0	-	-	-	-	-	-	-	0.0
Mechanics	-	0.0	-	-	-	-	-	-	-	0.0
Transportation support staff	0.50	0.5	0.5	0.5	0.5	0.5	0.5	-	-	0.0
Central:										
Community relations	1.00	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.2	1.0
Technology	-	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0
Personnel	0.50	0.5	0.5	0.5	0.5	1.0	1.0	1.0	1.0	1.0
Extracurricular:										
Athletic department	0.50	1.0	0.5	0.5	1.0	1.0	1.0	17.0	17.5	17.5
Food service program:										
Elementary	3.00	3.5	4	3.9	3.5	3.3	3.3	3.0	3.5	3.5
Middle school	1.00	0.75	0.75	0.75	0.6	0.6	-	-	-	0.0
High school cooks	1.00	0.75	0.75	0.75	0.6	0.6	1.2	1.8	2.4	2.4
Central	1.00	0.0	-	-	-	-	-	-	-	0.0
Adult education/community service:										
Preschool	8.00	5.5	5.5	5.2	2.5	2.5	2.0	1.0	2.0	2.0
Extended care	12.00	15.0	17.0	16.0	12.0	12.0	11.1	10.0	10.0	14.0
Total	228.0	228.5	228.8	228.6	220.7	213.0	215.0	219.8	222.0	234.8

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

FREE OR REDUCED LUNCH PROGRAM PERCENTAGES
LAST TEN FISCAL YEARS

Fiscal Year	Students	Students Applicable for Free Lunch	Percentage of Applicable Students for the Free Lunch Program	Students Applicable for Reduced Lunch	Percentage of Applicable Students for the Reduced Lunch Program	Total Students Applicable for the Free and Reduced Lunch Programs	Total Percentage of Applicable Students for the Free and Reduced Programs
2021	1,559	(1)	(1)	(1)	(1)	(1)	(1)
2020	1,701	380	22.34%	72	4.23%	452	26.57%
2019	1,706	413	24.21%	84	4.92%	497	29.13%
2018	1,794	451	25.14%	95	5.30%	546	30.43%
2017	1,807	419	23.19%	110	6.09%	529	29.28%
2016	1,845	447	24.23%	105	5.69%	552	29.92%
2015	1,785	434	24.31%	75	4.20%	509	28.52%
2014	1,795	376	20.95%	95	5.29%	471	26.24%
2013	1,800	407	22.61%	107	5.94%	514	28.55%
2012	1,736	385	22.18%	102	5.88%	487	28.06%

Source: "Lunch MR 81 Report for October" obtained from the Ohio Department of Education.

(1) Due to the COVID-19 Pandemic, the District did not collect nor report free and reduced data.

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**FAIRVIEW PARK CITY
SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SINGLE AUDIT REPORT

**FOR THE FISCAL YEAR
ENDED JUNE 30, 2021**

James G. Zupka, CPA, Inc.
Certified Public Accountants

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Expenditures	Non-Cash Expenditures
<u>U.S. Department of Agriculture</u>			
<i>Passed through Ohio Department of Education</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	\$ 84,217	\$ 0
COVID-19 School Breakfast Program	10.553	19,283	0
National School Lunch Program	10.555	285,438	32,263
COVID-19 - National School Lunch Program	10.555	27,511	0
Total Child Nutrition Cluster		<u>416,449</u>	<u>32,263</u>
Total U.S. Department of Agriculture		<u>416,449</u>	<u>32,263</u>
<u>U.S. Department of Education</u>			
<i>Passed through Ohio Department of Education</i>			
Title I - Grants to Local Educational Agencies - 2020	84.010	46,048	0
Title I - Grants to Local Educational Agencies - 2021	84.010	237,975	0
<i>Total ALN #84.010</i>		<u>284,023</u>	<u>0</u>
Special Education Cluster (IDEA):			
Special Education - Grants to States - 2020	84.027	43,053	0
Special Education - Grants to States - 2021	84.027	380,318	0
Special Education - Preschool Grants - 2021	84.173	8,706	0
Total Special Education Cluster (IDEA)		<u>432,077</u>	<u>0</u>
Improving Teacher Quality State Grants - 2020	84.367	31,398	0
Improving Teacher Quality State Grants - 2021	84.367	53,960	0
Improving Teacher Quality State Grants - Student Support and Academic Enrichment - 2020	84.367	1,198	0
Improving Teacher Quality State Grants - Student Support and Academic Enrichment - 2021	84.367	17,479	0
Improving Teacher Quality State Grants - Expanding Human Capital - 2021	84.367	13,715	0
<i>Total ALN #84.367</i>		<u>117,750</u>	<u>0</u>
Education Stabilization Fund -			
Elementary and Secondary School Emergency Relief Fund - 2021	84.425D	75,760	0
<i>Total Passed through Ohio Department of Education</i>		<u>909,610</u>	<u>0</u>
<i>Passed Through Cuyahoga County Board of Health</i>			
Coronavirus Relief Fund - CARES Act - Cuyahoga County Board of Health	21.019	6,745	0
Total U.S. Department of Education		<u>916,355</u>	<u>0</u>
<u>U.S. Department of the Treasury</u>			
<i>Passed through Ohio Department of Education</i>			
Coronavirus Relief Fund - CARES Act - CRF Suburban School District	21.019	79,968	0
Total U.S. Department of the Treasury		<u>79,968</u>	<u>0</u>
<u>The Institute of Museum and Library Services</u>			
<i>Passed through State Library of Ohio</i>			
Grants to States - COVID-19 Library Services and Technology Act (LSTA)- CARES Act	45.310	2,988	0
Total The Institute of Museum and Library Services		<u>2,988</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 1,415,760</u>	<u>\$ 32,263</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Fairview Park City School District under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Fairview Park City School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Fairview Park City School District.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3: INDIRECT COST RATE

Fairview Park City School District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4: CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE 5: FOOD DONATION PROGRAM

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

To the Members of Board of Education
Fairview Park City School District
Fairview Park, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 23, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District, and the school foundation aid received from the State of Ohio will be funded through the direct funding model.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



James G. Zupka, CPA, Inc.
Certified Public Accountants

December 23, 2021

JAMES G. ZUPKA, C.P.A., INC.

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

To the Members of Board of Education
Fairview Park City School District
Fairview Park, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

Report on Compliance for Each Major Federal Program

We have audited the Fairview Park City School District, Cuyahoga County, Ohio's (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the District's major federal program for the year ended June 30, 2021. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Fairview Park City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 23, 2021, which contained unmodified opinions on those financial statements, wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District, and the school foundation aid received from the State of Ohio will be funded through the direct funding model. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



James G. Zupka, CPA, Inc.
Certified Public Accountants

December 23, 2021

**FAIRVIEW PARK CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 UNIFORM GUIDANCE
 JUNE 30, 2021**

1. SUMMARY OF AUDITOR'S RESULTS

2021(i)	Type of Financial Statement Opinion	Unmodified
2021(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2021(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2021(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2021(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2021(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2021(v)	Type of Major Programs' Compliance Opinions	Unmodified
2021(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2021(vii)	Major Programs (list): Child Nutrition Cluster: School Breakfast Program - ALN #10.553 National School Lunch Program - ALN #10.555	
2021(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2021(ix)	Low Risk Auditee?	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The audit report for the fiscal year ending June 30, 2020 included a significant deficiency.

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Status</u>	<u>Additional Information</u>
2020-001	Capital Assets	Corrected	None

Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences this audit period.

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OHIO AUDITOR OF STATE KEITH FABER



FAIRVIEW PARK CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 2/15/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov